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IDAHO PUBLIC  
UTILITIES COMMISSION

201 South Main, Suite 2300  
Salt Lake City, Utah 84111

June 30, 2014

***VIA OVERNIGHT DELIVERY***

Jean D. Jewell  
Idaho Public Utility Commission  
Statehouse  
472 West Washington Street  
Boise, ID 83702-5983

**RE: CASE NO. PAC-E-14-05  
IN THE MATTER OF THE APPLICATION OF ROCKY MOUNTAIN POWER FOR  
AUTHORITY TO (1) ISSUE AND SELL OR EXCHANGE NOT MORE THAN  
\$1,575,000,000 OF DEBT, AND (2) ENTER INTO CREDIT SUPPORT  
ARRANGEMENTS**

Attention: Jean D. Jewell

Enclosed please find the original and seven (7) copies of the Application and Attachments of Rocky Mountain Power in the above referenced matter.

Rocky Mountain Power, a division of PacifiCorp (Company), respectfully requests that the Commission enter its order, effective upon issuance, authorizing the Company to (1) issue and sell or exchange, in one or more public offerings or private placements, fixed or floating rate debt (Debt) in the aggregate principal amount not to exceed \$1,575,000,000 or, if the Debt is issued at an original issue discount, such greater amount as shall result in an aggregate offering price of not more than \$1,575,000,000, and (2) enter into letter of credit arrangements with one or more banks or such other agreements or arrangements as may be necessary or appropriate, from time to time, to provide additional credit support for the payment of the principal of, interest on and premium (if any) on such Debt.

The requested authority is expected to accommodate the Company's financing requirements for the next several years.

The requested authority would supplement the financing flexibility that the Commission had previously authorized in Order No. 31018 in Case No. PAC-E-10-02 (the 2010 Order). In the 2010 Order, the Commission authorized the Company to issue up to \$2.0 billion of securities similar to those covered in the enclosed Application. The Company has subsequently issued \$1.875 billion principal amount of debt under the 2010 Order authority and has \$125.0 million of additional issuance authorized under that order. As the Company does not anticipate utilizing the remaining authority under the 2010 Order, it may be withdrawn if the Commission issues its order in this matter.

The Company respectfully requests that the Commission issue its order as soon as reasonably practical. The Company also requests twenty certified copies of any order issued in this matter. Notice of this Application will be published within seven days as required by the Commission's Rules of Procedure. Please note that the Company's Application Fee in the amount of \$1,000 is being submitted under separate cover.

It is respectfully requested that all formal correspondence and Staff requests regarding this material be addressed to:

By e-mail (preferred): [datarequest@pacificorp.com](mailto:datarequest@pacificorp.com)

By regular mail: Data Request Response Center  
PacifiCorp  
825 NE Multnomah, Suite 2000  
Portland, Oregon 97232

Informal inquiries may be directed to me at (503) 813-5662.

Your attention to this matter is appreciated.

Sincerely,



Bruce N. Williams  
Vice President and Treasurer

Enclosures: Application  
Proposed Form of Order  
CD containing the proposed Form of Order



Daniel E. Solander, (ISB# 89310)  
Rocky Mountain Power  
201 South Main Street, Suite 2300  
Salt Lake City, Utah 84111  
Telephone: (801) 220-4014  
Email: daniel.solander@pacificorp.com

Attorney for Rocky Mountain Power

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

In the Matter of the Application of ROCKY	)	
MOUNTAIN POWER for authority to (1) issue	)	
and sell or exchange not more than	)	APPLICATION
\$1,575,000,000 of debt, and (2) enter into credit	)	CASE NO. PAC-E-14-05
support arrangements,	)	
	)	
	)	

PacifiCorp, doing business as Rocky Mountain Power (Company), hereby applies for an order of the Idaho Public Utilities Commission (Commission) authorizing the Company to (1) issue and sell or exchange, in one or more public offerings or private placements, fixed or floating rate debt (Debt) in the aggregate principal amount of not more than \$1,575,000,000 or, if the Debt is issued at an original issue discount, such greater amount as shall result in an aggregate offering price of not more than \$1,575,000,000 and (2) enter into letter of credit arrangements with one or more banks or such other agreements or arrangements as may be necessary or appropriate, from time to time, to provide additional credit support for the payment of the principal of, the interest on, and the premium of the Debt.

The Company requests that such authority remain in effect through June 2019, so long as the Company maintains a BBB- or higher senior secured debt rating, as indicated by Standard & Poor's Rating Services, and a Baa3 or higher senior secured debt rating, as indicated by Moody's Investors Service, Inc. The application is filed pursuant to Chapter 9, Title 61, of the *Idaho Code*

and Section 141 of the Commission's Rules of Procedure and is intended to amend and supersede order No. 31018 (2010 Order) issued by the Commission March 5, 2010 in case number PAC-E-10-02 (2010 Case). This Application is substantially similar to that filed by the Company in the 2010 Case and seeks authorization to issue up to \$1,575,000,000 of long-term debt through June 30, 2019 on the same terms and conditions contained in the 2010 Order<sup>1</sup>.

The Company respectfully requests that the Commission issue an order by August 1, 2014.

The Company respectfully submits the following information in support of this Application:

(a) The official name of the applicant and address of its principal business office:

PacifiCorp, doing business as Rocky Mountain Power  
825 N.E. Multnomah, Suite 2000  
Portland, OR 97232

(b) The state and date of incorporation; each state in which it operates as a utility:

The Company was incorporated under Oregon law in August 1987 for the purpose of facilitating consummation of a merger with Utah Power & Light Company, a Utah corporation, and changing the state of incorporation of PacifiCorp from Maine to Oregon. The Company currently serves customers as Rocky Mountain Power in Idaho, Utah and Wyoming and as Pacific Power in California, Oregon and Washington.

(c) The name, address, and telephone number of persons authorized to receive notices and communications:

Bruce N. Williams,  
Vice President and Treasurer  
PacifiCorp  
825 N.E. Multnomah, Suite 1900  
Portland, OR 97232  
Telephone: (503) 813-5662  
E-mail: [bruce.williams@pacificorp.com](mailto:bruce.williams@pacificorp.com)

Daniel Solander,  
Senior Counsel  
Rocky Mountain Power  
201 South Main Street, Suite 2300  
Salt Lake City, UT 84111  
Telephone: (801) 220-4014  
E-mail: [daniel.solander@pacificorp.com](mailto:daniel.solander@pacificorp.com)

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<sup>1</sup> The 2010 Order also authorized foreign currency denominated borrowings, medium term notes and subordinated debt which the Company is not seeking authorization for in this application.



Jeffrey K. Larsen, Vice President  
Regulation  
Rocky Mountain Power  
201 South Main Street, Suite 2300  
Salt Lake City, UT 84111  
Telephone: (801) 220- 4907  
E-mail: [jeff.larsen@pacificorp.com](mailto:jeff.larsen@pacificorp.com)

Ted Weston  
Manager, Regulation  
Rocky Mountain Power  
201 South Main Street, Suite 2300  
Salt Lake City, UT 84111  
Telephone: (801) 220-2963  
E-mail: [ted.weston@pacificorp.com](mailto:ted.weston@pacificorp.com)

It is respectfully requested that all formal correspondence and Staff requests regarding this material be addressed to:

By e-mail (preferred): [datarequest@pacificorp.com](mailto:datarequest@pacificorp.com)

By regular mail: Data Request Response Center  
PacifiCorp  
825 NE Multnomah, Suite 2000  
Portland, Oregon 97232

By fax: (503) 813-6060

Informal questions should be directed to Bruce Williams at (503) 813-5662.

(d) A full description of the securities proposed to be issued:

(1) Type and nature of securities:

Debt to be issued in one or more transactions as conditions permit. The Debt may be secured or unsecured

(2) Amount of securities:

Not more than \$1,575,000,000 aggregate principal amount or, if the Debt is issued at an original issue discount, such greater amount as shall result in an aggregate offering price of not more than \$1,575,000,000.

(3) Interest Rate:

If the Debt bears a fixed rate, the interest rate will be set at the time of issuance.

If the Debt bears a floating-rate, the interest rate will be set periodically based upon a published or quoted index of short-term rates.

(4) Dates of issuance and maturity:

The Company expects to issue the Debt from time to time in either public offerings or private placements for cash or in exchange for its outstanding securities. Maturities will be established at the time of issuance.

(5) Institutional rating of the securities, or if not rated an explanation:

The Company's debt is rated, as of the date of this filing, as follows:

<u>Security</u>	<u>Moody's</u>	<u>S &amp; P</u>
Senior Secured Debt	A1	A
Senior Unsecured Debt	A3	A-

(6) Stock Exchange on which listed:

The Company has generally not listed its bonds, but has in the past listed certain unsecured debt on The New York Stock Exchange. If the Debt is issued publicly in an overseas market, the Debt may be listed, if appropriate, on one or more foreign exchanges.

(7) Additional descriptive information:

General: Alternatives currently available to the Company include (1) conventional first mortgage bonds placed publicly or privately in the domestic or foreign markets, (2) unsecured debt securities placed publicly or privately in the domestic or foreign markets, and (3) floating-rate debt placed publicly or privately in the domestic or foreign markets. A brief description of these transactions is set forth below.

- I. First Mortgage Bonds. First mortgage bonds have been the traditional debt financing vehicle utilized by utilities in the United States, and are typically offered in public offerings but may be privately placed. First



mortgage bonds are secured by a mortgage on the fixed assets of the utility.

The bonds are typically redeemable through a make-whole call at the Company's option at redemption prices dependent upon U.S. Treasury yields. This type of redemption feature does not typically require the issuer to pay a higher coupon rate. The Company may determine that a call provision is appropriate to provide financial flexibility in changing interest rate environments, and the bonds may be redeemable at a premium over the principal amount, with the premium declining to zero near the final maturity of the bonds.

The Company's first mortgage bonds are issued as First Mortgage Bonds under the PacifiCorp Mortgage. The Commission has previously authorized the Company to incur the lien of the PacifiCorp Mortgage in Case No. U-1046-15, Order No. 22157.

The underwriting fee for First Mortgage Bond issuances vary by the maturity of the debt but is not expected to exceed one percent of the principal amount.

- II. Unsecured Debt Securities. Unsecured debt securities will be subordinated to the Company's First Mortgage Bonds. These securities may be issued in one or more separate series or in a single series and placed publicly or privately in the domestic or foreign markets. Principal amount, maturity, interest rate and redemption terms are fixed at the time of sale.

Compensation to the agents varies by the maturity of each tranche of securities issued, but is not expected to exceed one percent of the principal amount of securities placed.

- III. Floating-Rate Debt. Floating-rate debt is a security with interest rates that reset periodically, such as daily, weekly, monthly, quarterly, semi-annually or annually at the option of the Company. The most common indices used for pricing floating-rate debt are based upon LIBOR, commercial paper and Treasury bills.

Refunding provisions for floating-rate debt vary from transaction to transaction depending upon the structure of the agreement. Should the Company subsequently fix the interest rate through an interest rate swap or cap, the cost of refunding would include the cost of unwinding the swap or cap.

Floating-rate debt could be more advantageous than fixed-rate debt. First, it can provide the Company with an occasional source of long-term funding at attractive rates compared to the fixed-rate market. Second, it allows the Company access to the short end of the yield curve when short-term rates are attractive. Should rates begin to increase, the Company could execute an interest rate swap or cap to secure a fixed rate.

The fees associated with a floating-rate debt arrangement are not expected to exceed one percent of the principal amount of the debt.

#### Credit Support Arrangements

In addition, the Company may find it advantageous to enter into letter of credit arrangements with one or more banks or such other agreements or arrangements



as may be necessary or appropriate, from time to time, to provide additional credit support for the payment of the principal of, the interest on and the premium of the Debt. Such credit support arrangements could result in a lower all-in cost of debt.

(e) A description of the method of issuance and sale or procedure by which any obligation as guarantor will be assumed:

The Company proposes to issue the Debt from time to time in either public offerings or private placements, domestically or overseas, for cash or in exchange for its outstanding securities. The financial markets have become increasingly global and, as such, foreign sources of capital compete directly with domestic sources for investment opportunities.

The Company anticipates that issuances will be primarily fixed-rate First Mortgage Bonds, but it is requesting authority for a variety of borrowing options in order to provide the financial flexibility to pursue the most attractive markets at the time of issuance and to produce the most competitive cost for the Company.

Underwriters or placement agents will be selected after negotiations with a group of potential candidates. The firm or firms selected to lead an offering under this authority will be determined by the Company's assessment of their ability to assist the Company in meeting its objective of having the lowest total cost for the Debt to be issued. This assessment is based upon the level of underwriting or placement fees, their knowledge of the Company and its varied operations, the Company's parent company and its affiliates, and their ability to market the Debt to achieve the Company's financing and capital structure objectives.

- (f) (1) (i) The name and address of any person receiving a fee (other than a fee for technical services) for negotiating, issuing, or selling the securities or for securing an underwriter, sellers, or purchasers of securities except as related to a competitive bid:

Other than for technical services, the only fees payable by the Company will be fees and expenses to the underwriters and agents. The Company may also incur an annual fee for credit support which is not expected to exceed one percent on the principal amount of the Debt.

- (ii) The fee amount:

Subject to final negotiations, the fee is not expected to exceed 3.0 percent of the aggregate principal amount of the Debt if the Debt is issued overseas. If issued domestically, the fee is not expected to exceed 1.0 percent of the aggregate principal amount of the Debt. The level of the fee is only one factor in determining the overall cost of the Debt to be issued and, as such, is not the sole basis of the financing decision.

- (iii) The facts showing the reason for and reasonableness of the fee:

The aforementioned compensation levels to the agents or underwriters are consistent with the usual and customary fees prevailing currently in the market. These fees are reasonable given the services provided by the agents or underwriters. The agents and the underwriters will be familiar with the Company, its parent company and affiliates and their long-term financing needs. They will be available for consultation on these matters and will assist the Company in evaluating market conditions and in formulating the exact terms of the transactions. See subsection (f) supra.



(g) The purposes of the issuance:

The purposes for which the Debt is proposed to be issued in this matter are (1) the acquisition of property, (2) the construction, completion, extension or improvement of utility facilities, (3) the improvement of service, (4) the discharge or lawful refunding of obligations which were incurred for utility purposes or (5) the reimbursement of the Company's treasury for funds used for the foregoing purposes.

The Company keeps its accounts in a manner which enables the Commission to ascertain the amount of money expended and the purposes for which the expenditures were made. If the funds to be reimbursed were used for the discharge or refunding of obligations, those obligations or their precedents were originally incurred in furtherance of the utility purposes listed above.

To the extent that the funds to be reimbursed were used for the discharge or refunding of obligations, those obligations or their precedents were originally incurred in furtherance of utility purposes (1), (2) and (3) supra.

The results of the offerings are estimated to be:

ESTIMATED RESULTS OF THE OFFERING <sup>(1)</sup>

	<u>Total</u>	<u>Percent of Total</u>
Gross Proceeds	\$ 1,575,000,000	100.000%
Less: Agents/Underwriters Compensation <sup>(1)</sup>	<u>13,781,250</u>	<u>0.875%</u>
Proceeds Payable to Company	\$ 1,561,218,750	99.125%
Less: Other Issuance Expenses	<u>1,968,750</u>	<u>0.125%</u>
Net Proceeds	<u>\$1,559,250,000</u>	<u>99.000%</u>

(1) Assumes the issuance of 30 year first mortgage bonds.

Other Issuance Expenses

Regulatory agency fees	\$ 1,000
SEC fees	205,000
Company counsel fees	375,000
Accounting fees	325,000
Printing and engraving fees	80,000
Rating agency fees	700,000
Trustee/Indenture fees	150,000
Miscellaneous expenses	132,750
TOTAL	<u>\$ 1,968,750</u>

- (h) Statement that applications for authority to finance are required to be filed with state governments:

In addition to this Application, the Company is filing an application with the Oregon Public Utility Commission and a notice to the Washington Utilities and Transportation Commission in connection with each issuance pursuant to Washington law. The California Public Utilities Commission, the Utah Public Service Commission and the Wyoming Public Service Commission have exempted the Company from their respective securities statutes.

- (i) A statement of the facts relied upon to show that the issuance is appropriate:

As a public utility, the Company is expected to acquire, construct, improve and maintain sufficient utility facilities to serve its customers adequately and reliably at reasonable cost. The proposed issuances of the Debt are part of a program to finance the Company's facilities taking into consideration prudent capital ratios, earnings coverage tests, market uncertainties and the relative merits of the various types of securities the Company could sell or other financing it could arrange.

Accordingly, the proposed issuances (1) are for lawful objects within the corporate purposes of the Company, (2) are compatible with the public interest, (3) are necessary or appropriate for or consistent with the proper performance by the Company of its service as a public utility, (4) will not impair its ability to perform that service, and (5) are reasonably necessary or appropriate for these purposes.

- (j) Statement, as of the date of the balance sheet submitted with this application, showing for each class and series of capital stock: brief description; the amount authorized (face value and number of shares); the amount outstanding (exclusive of any amount held in the treasury), held amount as reacquired securities; amount pledged by the Company; amount owned by affiliated interests, and amount held in any fund.

The capital stock as of March 31, 2014 is as follows:

	Outstanding Shares	Amount
Cumulative Preferred Stock:		
Serial Preferred, \$100 stated value (3,500,000 shares authorized)		
6.00% Series	5,930	\$593,000
7.00% Series	18,046	\$1,804,600
5% Preferred, \$100 stated value (126,553 shares authorized)	-	-
No Par Serial Preferred (16,000,000 shares authorized)	-	-
Total Preferred Stock	23,976	\$2,397,600
Common Stock*:		
No Par Value (750,000,000 shares authorized)	357,060,915	

*\*All shares of outstanding common stock are indirectly owned by Berkshire Hathaway Energy Company (fka MidAmerican Energy Holdings Company).*



(k) Statement, as of the date of the balance sheet submitted with this application, showing for each class and series of long-term debt or notes: brief description (amount, interest rate and maturity); amount authorized; amount outstanding (exclusive of any amount held in the treasury); amount held as reacquired securities; amount pledged by the Company; amount held by affiliated interest; and amount in sinking and other funds.

The long-term debt as of March 31, 2014 is as follows:

Description	Authorized	Outstanding
First Mortgage Bonds:		
4.95% Series due August 15, 2014	\$200,000,000	\$200,000,000
5.65% Series due July 15, 2018	\$500,000,000	\$500,000,000
5.50% Series due January 15, 2019	\$350,000,000	\$350,000,000
3.85% Series due June 15, 2021	\$400,000,000	\$400,000,000
2.95% Series due February 1, 2022	\$350,000,000	\$350,000,000
2.95% Series due February 1, 2022	\$100,000,000	\$100,000,000
2.95% Series due June 1, 2023	\$300,000,000	\$300,000,000
3.60% Series due April 1, 2024	\$425,000,000	\$425,000,000
7.70% Series due November 15, 2031	\$300,000,000	\$300,000,000
5.90% Series due August 15, 2034	\$200,000,000	\$200,000,000
5.25% Series due June 15, 2035	\$300,000,000	\$300,000,000
6.10% Series due August 1, 2036	\$350,000,000	\$350,000,000
5.75% Series due April 1, 2037	\$600,000,000	\$600,000,000
6.25% Series due October 15, 2037	\$600,000,000	\$600,000,000
6.35% Series due July 15, 2038	\$300,000,000	\$300,000,000
6.00% Series due January 15, 2039	\$650,000,000	\$650,000,000
4.10% Series due February 1, 2042	\$300,000,000	\$300,000,000
8.734% C-U Series due thru October 1, 2014	\$28,218,000	\$2,623,000
8.294% C-U Series due thru October 1, 2015	\$46,946,000	\$8,034,000
8.635% C-U Series due thru October 1, 2016	\$18,750,000	\$4,672,000
8.470% C-U Series due thru October 1, 2017	\$19,609,000	\$6,131,000
8.53% MTN Series C due December 16, 2021	\$15,000,000	\$15,000,000
8.375% MTN Series C due December 31, 2021	\$5,000,000	\$5,000,000
8.26% MTN Series C due January 7, 2022	\$5,000,000	\$5,000,000
8.27% MTN Series C due January 10, 2022	\$4,000,000	\$4,000,000
8.07% MTN Series E due September 9, 2022	\$8,000,000	\$8,000,000
8.11% MTN Series E due September 9, 2022	\$12,000,000	\$12,000,000
8.12% MTN Series E due September 9, 2022	\$50,000,000	\$50,000,000
8.05% MTN Series E due September 14, 2022	\$10,000,000	\$10,000,000
8.05% MTN Series E due September 1, 2022	\$15,000,000	\$15,000,000

Description	Authorized	Outstanding
First Mortgage Bonds:		
8.08% MTN Series E due October 14, 2022	\$51,000,000	\$51,000,000
8.23% MTN Series E due January 20, 2023	\$5,000,000	\$5,000,000
8.23% MTN Series E due January 20, 2023	\$4,000,000	\$4,000,000
7.26% MTN Series F due July 21, 2023	\$38,000,000	\$38,000,000
7.23% MTN Series F due August 16, 2023	\$15,000,000	\$15,000,000
7.24% MTN Series F due August 16, 2023	\$30,000,000	\$30,000,000
6.72% MTN Series F due September 14, 2023	\$2,000,000	\$2,000,000
6.75% MTN Series F due September 14, 2023	\$7,000,000	\$7,000,000
6.75% MTN Series F due October 26, 2023	\$48,000,000	\$48,000,000
6.71% MTN Series G due January 15, 2026	\$100,000,000	\$100,000,000
Total First Mortgage Bonds:		\$6,670,460,000

Description	Authorized	Outstanding
Pollution Control Bonds:		
Converse County, Wyoming		
Variable% Series 1992 due December 1, 2020	\$22,485,000	\$22,485,000
Variable% Series 1994 due November 1, 2024	\$8,190,000	\$8,190,000
Variable% Series 1995 due November 1, 2025	\$5,300,000	\$5,300,000
Sweetwater County, Wyoming		
Variable% Series 1984 due December 1, 2014	\$15,000,000	\$15,000,000
Variable% Series 1990A due July 1, 2015	\$70,000,000	\$70,000,000
Variable% Series 1988A due January 1, 2017	\$50,000,000	\$50,000,000
Variable% Series 1992A due December 1, 2020	\$9,335,000	\$9,335,000
Variable% Series 1992B due December 1, 2020	\$6,305,000	\$6,305,000
Variable% Series 1994 due November 1, 2024	\$21,260,000	\$21,260,000
Variable% Series 1995 due November 1, 2025	\$24,400,000	\$24,400,000
Lincoln County, Wyoming		
Variable% Series 1991 due January 1, 2016	\$45,000,000	\$45,000,000
Variable% Series 1994 due November 1, 2024	\$15,060,000	\$15,060,000
Variable% Series 1995 due November 1, 2025	\$22,000,000	\$22,000,000
City of Gillette, Wyoming		
Variable% Series 1988 due January 1, 2018	\$63,000,000	\$41,200,000
Emery County, Utah		
Variable% Series 1991 due July 1, 2015	\$45,000,000	\$45,000,000
Variable% Series 1994 due November 1, 2024	\$121,940,000	\$121,940,000
Carbon County, Utah		
Variable% Series 1994 due November 1, 2024	\$9,365,000	\$9,365,000
City of Forsyth, Montana		
Variable% Series 1986 due December 1, 2016	\$8,500,000	\$8,500,000
Variable% Series 1988 due January 1, 2018	\$45,000,000	\$45,000,000
Total Pollution Control Bonds		\$585,340,000



(m) Any other applicable exhibits:

The following exhibits are made a part of this application:

Incorporated by reference to:			
<u>Exhibit</u>	<u>Case</u>	<u>Exhibit</u>	<u>Description</u>
A-1	PAC-E-02-4	A	Third Restated Articles of Incorporation effective November 20, 1996, as amended effective November 29, 1999
A-2	PAC-E-07-02	A-2	Bylaws, as amended effective May 23, 2005
B			Resolutions of the Board of Directors authorizing the proposed issuances
C			Balance Sheet, actual and pro forma, dated March 31, 2014
D			Income Statement, actual and pro forma, for the 12 months ended March 31, 2014
E			SEC Registration Statement on Form S-3ASR
F			Public invitation for proposal to purchase or underwrite the proposed issuance ( <u>Not applicable.</u> )
G			Copies of each proposal received for a negotiated placement of the offering, a summary tabulation, a list of prospective underwriters from whom no proposal was received, and a justification of the accepted underwriting proposal ( <u>Not applicable</u> )
H			Source and Uses of Treasury Funds, actual and pro forma, dated March 31, 2014
I			A statement of the bond indenture or other limitations on interest and dividend coverage, and the effects of those limitations on this issuance
J**			Prospectus
K**			Underwriting Agreement or Agency Agreement

\*\* Exhibit or supplement to the Exhibit is to be filed as soon as available.

Rocky Mountain Power believes that a technical hearing is not necessary to consider the issues presented herein and respectfully requests that this Application be processed under Modified Procedure, i.e., by written submissions rather than by hearing, in accordance with RP 201 *et seq.*

WHEREFORE, Rocky Mountain Power respectfully requests that the Commission enter its order in this matter, effective upon issuance, authorizing Rocky Mountain Power to (1) issue and sell or exchange, in one or more public offerings or private placements, fixed or floating rate Debt in the aggregate principal amount of not more than \$1,575,000,000 or, if the Debt is issued at an original issue discount, such greater amount as shall result in an aggregate offering price of not more than \$1,575,000,000, and (2) enter into letter of credit arrangements with one or more banks or such other agreements or arrangements as may be necessary or appropriate, from time to time, to provide additional credit support for the payment of the principal of, the interest on, and the premium (if any) on the Debt. The Company requests that such authority remain in effect until June 30, 2019, so long as the Company maintains a BBB- or higher senior secured debt rating, as indicated by Standard & Poor's Rating Services, and a Baa3 or higher senior secured debt rating, as indicated by Moody's Investors Service, Inc. The Company agrees to continue to file with the Commission on a quarterly basis debt reports including any Debt authorized by the requested order and, to the extent not otherwise an obligation of the Company pursuant to Commitment I20 approved by Order No. 29998 in Case No. PAC-E-05-8, all credit rating agency reports related to the Company issued during the quarter.

Dated this 30<sup>th</sup> day of June 2014.

PACIFICORP, doing business as ROCKY  
MOUNTAIN POWER

By: 

Daniel E. Solander  
Attorney for PacifiCorp

VERIFICATION

I, Bruce N. Williams, declare, under penalty of perjury, that I am the duly appointed Vice President and Treasurer of PacifiCorp and am authorized to make this verification. The application and the attached exhibits were prepared at my direction and were read by me. I know the contents of the application and the attached exhibits, and they are true, correct, and complete of my own knowledge except those matters stated on information or belief which I believe to be true.

WITNESS my hand and the seal of PacifiCorp on this 30<sup>th</sup> day of June 2014.



\_\_\_\_\_  
Bruce N. Williams

(Seal)



**EXHIBIT B**

**UNANIMOUS WRITTEN CONSENT  
OF THE BOARD OF DIRECTORS  
OF PACIFICORP**

**Resolution No. 2013-006**

Pursuant to ORS §60.341, the undersigned, constituting all the directors of PacifiCorp, an Oregon corporation (the "Company"), hereby adopt and consent to the following resolutions as of October 23, 2013:

**I. Securities Authorizations**

**A. First Mortgage, and Collateral Trust Bonds**

WHEREAS, the Board of Directors of PacifiCorp (the "Company"), by resolutions adopted December 15, 2009 (the "Prior Resolutions") authorized the issuance and sale or exchange by the Company from time to time of not more than \$2,000,000,000 (or the equivalent thereof at the time of issuance in foreign currencies) in aggregate principal amount of one or more new series of its First Mortgage and Collateral Trust Bonds, to be issued under and secured by the Company's Mortgage and Deed of Trust dated as of January 9, 1989 to the trustee thereunder (the "Trustee"), as heretofore amended and supplemented and as it may be further amended and supplemented (the "PacifiCorp Mortgage"); and

WHEREAS, it is now desirable to provide for the issuance of additional bonds and restate the unused authority of the Prior Resolutions; now, therefore, be it

RESOLVED, that the Board of Directors of the Company hereby authorizes the issuance and sale or exchange by the Company, from time to time, of up to \$2,000,000,000 (or the equivalent thereof at the time of issuance in foreign currencies) in aggregate principal amount of one or more new series of its First Mortgage and Collateral Trust Bonds (the "Bonds"), to be issued under and secured by the PacifiCorp Mortgage; and further

RESOLVED, that the Bonds may be sold, or may be exchanged for other outstanding securities of the Company, publicly or in private transactions, in such amounts, at such times, at such prices, may bear interest at such variable, floating, or fixed rates, may be redeemable at such redemption prices, mature at such date or dates, and have such other terms and characteristics as shall be fixed by an Authorizing Officer (as defined below); *provided, however*, that the issuance and sale or exchange by the Company of the Bonds shall be subject to (1) the Company's first having obtained all necessary authorizations therefor from the federal and state

regulatory authorities having jurisdiction over such issuance and sale or exchange and (2) the Company's compliance with the registration requirements of all applicable federal and state securities laws in connection with such issuance and sale or exchange; and further

RESOLVED, that in accordance with Section 2.03 of the PacifiCorp Mortgage, any two of the following persons: the Chief Executive Officer of PacifiCorp, the Chief Financial Officer, the Vice President and Treasurer of the Company, and any president of the Company (each, an "Authorizing Officer") is hereby authorized and empowered, in the Company's name and on its behalf, to establish one or more series of Bonds, and to approve one or more Supplemental Indentures; and further

RESOLVED, that an Authorizing Officer, acting alone, is authorized to execute (by manual or facsimile signature) and deliver Bonds in such form and containing such terms, not inconsistent with Section 2.03 of the PacifiCorp Mortgage (including, without limitation, the amounts thereof, the rate or rates of interest, which may be floating or fixed, the maturity, sinking fund and redemption or repurchase provisions, if any, and the currency denomination of any such series), as an Authorizing Officer shall approve, such approval to be conclusively evidenced by execution thereof by an Authorizing Officer or by a certificate of an Authorizing Officer or by transmittal of the terms of such series by any person designated in a certificate of an Authorizing Officer as having the authority to transmit such approval to the Trustee under the PacifiCorp Mortgage by computer or other electronic means; *provided that* each such series of Bonds shall be a) in registered form only, and b) shall have maturities at the time of issuance of not less than nine months and not more than 30 years *provided further*, that an Authorizing Officer shall not be authorized to approve the issuance of any series of Bonds with fixed interest rates or initial floating interest rates exceeding 10 percent per annum unless specifically authorized by the Board of Directors; and further

RESOLVED, that the Authorizing Officer executing any said series of Bonds is hereby authorized and directed to deliver the Bonds to the Trustee for authentication; and that the Trustee under the PacifiCorp Mortgage is hereby requested to authenticate up to \$2,000,000,000 in aggregate principal amount of Bonds (or the equivalent thereof at the time of issuance in foreign currencies), and to deliver the same upon the written order or orders of an Authorizing Officer or upon instructions given under an automated issuance system as described more fully in the PacifiCorp Mortgage or a supplement to the PacifiCorp Mortgage; and further

RESOLVED, that the officers of the Company are hereby authorized and directed to take or cause to be taken, in the Company's name and on its behalf, any and all such further action as in their judgment may be desirable or appropriate to cause the execution, authentication and delivery

of said Bonds as specified in the immediately preceding resolution; and further

RESOLVED, that The Bank of New York Mellon Trust Company, N.A., or any successor trustee under the PacifiCorp Mortgage be and it hereby is appointed:

- 1) as agent of the Company upon whom notices, presentations and demands to or upon the Company in respect of First Mortgage and Collateral Trust Bonds of each such series of Bonds, or in respect of the PacifiCorp Mortgage, may be given or made;
- 2) as agent of the Company in respect of the payment of the principal of, and the interest and any premium on, the Bonds of said series; and
- 3) as agent of the Company in respect of the registration, transfer and exchange of said Bonds; and further

RESOLVED, that, in connection with the issuance and sale of any series of Bonds denominated in foreign currencies, the Company shall enter into a currency exchange, on such terms and conditions as shall be approved by any Authorizing Officer, in order to fix the obligation of the Company to repay the amount of said series and interest thereon in United States dollars; and further

RESOLVED, that, each of the Authorizing Officers is hereby authorized and empowered, in the Company's name and on its behalf, (i) to select one or more underwriters or agents for the placement of the Bonds, (ii) to negotiate, execute and deliver one or more underwriting, sales agency or interest rate swap agreements or amendments, in one or more counterparts, including within such agreements such terms and conditions (including terms concerning discounts, fees, or indemnification) as the officer or officers executing such agreements shall approve, his, her or their execution thereof to be conclusive evidence of such approval; and further

RESOLVED, that the Company is hereby authorized to enter into such credit support or enhancement agreements or arrangements, and any amendments thereto or renewals thereof, in connection with the issuance and sale or exchange of the Bonds as an Authorizing Officer shall approve after first determining that such agreements or arrangements are necessary or appropriate in the circumstances.

**B. Regulatory Approvals for Financing**

RESOLVED, that the officers of the Company are hereby authorized, in the Company's name and on its behalf, to prepare and file with the Federal Energy Regulatory Commission, California Public Utilities Commission, the Idaho Public Utilities Commission, the Public Utility Commission of Oregon, the Public Service Commission of Utah, the Washington Utilities and Transportation Commission and the Wyoming Public Service Commission and any other public service commission or federal or state regulatory authority, as may be appropriate or necessary, applications for orders of said regulatory authorities authorizing, notifying as to, or exempting, the issuance and sale or exchange by the Company of the Bonds, together with any and all amendments to such applications and with any and all exhibits, data requests or other documents pertaining to such applications or any amendments thereto, as in the judgment of such officers may appear desirable or appropriate; and further

RESOLVED, that the acts of the officers in filing applications (and amendments and supplements to such applications) with the regulatory authorities named in the immediately preceding resolution, together with the various exhibits to such applications (and such amendments and supplements), for orders authorizing, notifying as to, or exempting the issuance and sale or exchange of the Bonds are hereby approved, ratified and confirmed; and further

RESOLVED, that the officers of the Company are hereby authorized and directed, in the Company's name and on its behalf, to make any and all such further filings with, and to take any and all such further action in the proceedings before, federal and state regulatory authorities as in the judgment of the officer or officers taking such action may appear desirable or appropriate for the purpose of obtaining any and all such further regulatory approvals, authorizations or consents, or making any notifications, as may be required to be obtained by the Company in connection with the consummation of the issuance and sale or exchange by it of the Bonds; and further

RESOLVED, that each of the Authorizing Officers of the Company is hereby authorized, in the Company's name and on its behalf, to prepare and execute, and to file or cause to be filed, with the Securities and Exchange Commission, an appropriate Registration Statement or Statements, each including a Prospectus, for the registration of the Bonds or any exchange of Bonds under the Securities Act of 1933 and the rules and regulations promulgated thereunder, in such form as they or any of them shall approve, together with any and all such amendments to each such Registration Statement, and with any and all such exhibits,



statements or other documents pertaining to the subject matter thereof as in the judgment of such officers may appear desirable or appropriate; and further

RESOLVED, that each of Doug Stuver, Bruce Williams and Jeff Erb is hereby appointed as the true and lawful attorney of the Company with full power to act with or without the other and with full power of substitution, to sign each such Registration Statement for the registration of the Bonds under the Securities Act of 1933 for and on behalf of the Company, that each director of the Company, and each officer of the Company who may be required to sign any such Registration Statement and any amendments thereto, is hereby authorized to appoint Doug Stuver, Bruce Williams and Jeff Erb, and each of them severally, as the true and lawful attorney or attorneys of each such director or officer of the Company, with full power to act with or without the other and with full power of substitution, to sign each such Registration Statement and any amendments thereto for or on behalf of each such director or officer in his or her capacity or capacities as such, and that the President, any Vice President and each director of the Company and each officer of the Company who may be required to sign any such Registration Statement and any amendments thereto, is hereby authorized and empowered to execute an appropriate power of attorney to evidence such appointments as aforesaid; and further

RESOLVED, that Doug Stuver, Bruce Williams or any other officer designated by an Authorized Officer, be and hereby is appointed as the agent for service named in each such Registration Statement with all the powers incident to that appointment; and further

RESOLVED, that it is desirable and in the best interests of the Company that its securities be qualified or registered for sale in various jurisdictions, that any Authorizing Officer is authorized to determine the states in which appropriate action shall be taken to qualify or register or maintain the qualification or registration for sale of all or such part of the securities of the Company as said officers may deem advisable, that said officers are hereby authorized to perform on behalf of the Company any and all such acts as they may deem necessary or advisable in order to comply with the applicable laws of any such jurisdiction, and in connection therewith to execute and file all requisite papers and documents, including, but not limited to, applications, reports, surety bonds, irrevocable consents, and appointments of attorneys for service of process and the execution by such officers of any such paper or document or the doing by them of any act in connection with the foregoing matters shall conclusively establish their authority therefor from the Company and the approval and ratification by the Company of the papers and documents so executed and the action so taken; and further

RESOLVED, that each of the Authorizing Officers of the Company is hereby authorized, in the Company's name and on its behalf, to negotiate with agents, underwriters or other purchasers with respect of the terms of the issuance and sale or exchange of each offering of the Bonds, and to execute and deliver, in the Company's name and on its behalf, an agreement or agreements with such agents, underwriters or purchasers providing for such issuance and sale or exchange and containing such other terms and provisions (including, without limitation, provisions for compensation, discounts or indemnification of such parties) as shall be approved by the officer or officers executing such agreement or agreements, his, her or their execution thereof to be conclusive evidence of such approval.

C. Effect on Prior Resolutions

RESOLVED, that the foregoing resolutions shall supersede the Prior Resolutions with respect to the Bonds, but the foregoing resolutions shall not affect the validity of any actions taken in reliance on such previously adopted resolutions and shall not affect the authorization of the issuance of bonds issued prior to the date hereof issued pursuant to supplemental indentures (which shall remained authorized pursuant to applicable prior resolutions).

II. General Authorization

RESOLVED, that the officers and the Board of Directors of the Company be, and hereby are, authorized, empowered and directed, in the name and on behalf of the Company, to make all such arrangements, to take all such further action, to cause to be prepared and filed any documents, to make all expenditures and incur all expenses and to execute and deliver, in the name of and on behalf of the Company, any agreements, instruments, certificates and documents (including without limitation officers' certificates) and make such filings as they may deem necessary, appropriate or advisable in order to fully effectuate the purpose of each and all of the foregoing resolutions, and the execution by such officers of any such agreement, instrument, document or certificate or the payment of any such expenditures or expenses or the doing by them of any act in connection with the foregoing matters shall conclusively establish their authority therefor from the Company and the approval and ratification by the Company of the agreement, instrument, document or certificate so executed, the expenses or expenditures so paid and the action so taken; and be it further

RESOLVED, that any and all actions heretofore taken by the officers or the Board of Directors of the Company in connection with the matters contemplated by the foregoing resolutions, including without limitation the actions and matters authorized herein and all related documents, instruments and agreements, be, and hereby are, approved, confirmed and ratified in all respects.

## **EXHIBIT C**

**PacifiCorp**  
**Pro Forma Issuance of \$1.575 billion of Long-term Debt**

**Proposed Journal Entries for the 12 Months Ended March 31, 2014**

Cash	131	1,559,250,000.00	
Unamortized Debt Expense	181	15,750,000.00	
Bonds	221		1,575,000,000.00
<i>Proceeds of issuing \$1.575 billion in long-term debt</i>			
Bonds	221	454,960,000.00	
Cash	131		454,960,000.00
<i>Proceeds of bond issuance used to finance long-term debt maturities (for scheduled maturities from 4/1/14 through 12/31/17)</i>			
Construction Work In Progress	107	1,104,290,000.00	
Cash	131		1,104,290,000.00
<i>Remaining proceeds of bond issuance used to finance additional capital spending</i>			
Interest on Long-Term Debt	427 / 216	70,875,000.00	
Temporary Cash Investments	136		70,875,000.00
<i>Interest on \$1.575 billion bond issuance</i>			
Amortization of Debt Expense	428 / 216	525,000.00	
Unamortized Debt Expense	181		525,000.00
<i>Amortization of debt expense for new issuance</i>			
Temporary Cash Investments	136	14,799,915.68	
Interest on Long-Term Debt	427 / 216		14,799,915.68
<i>Reduced interest from maturing bonds replaced by new issuance</i>			
Construction Work In Progress	107	49,693,050.00	
AFUDC - borrowed funds	432 / 216		49,693,050.00
<i>Capitalized interest from increased CWIP</i>			
Income Taxes - Federal	409 / 216	(2,307,709.24)	
Income Taxes - State	409 / 216	(313,579.36)	
Taxes Accrued	236		(2,621,288.60)
<i>Net tax effect of above interest expense amounts</i>			



# PacifiCorp

## Pro Forma Issuance of \$1.575 billion of Long-term Debt

### Pro Forma Assumptions:

- 1) Proceeds of long-term debt issuance used to replace maturing long-term debt and finance capital expenditures.
- 2) Assumed 30 year long-term debt issuance at 4.50% interest rate with 1.0% issuance costs.
- 3) For purposes of pro forma statements, the rate for the pro forma long-term debt issuance used to finance new capital spending is assumed as the allowance for borrowed funds used during construction rate.
- 4) Scheduled long-term debt maturities through 12/31/17:

<u>Amount</u>	<u>Rate</u>	<u>Maturity Date</u>	Annual Interest
			12-Mo Ended <u>March 31, 2014</u>
\$200,000,000	4.950%	08/15/14	\$9,900,000.00
2,623,000	8.734%	10/01/14	\$229,092.82
3,856,000	8.294%	10/01/14	\$319,816.64
1,431,000	8.635%	10/01/14	\$123,566.85
1,352,000	8.470%	10/01/14	\$114,514.40
15,000,000	Variable	12/01/14	\$311,523.00 *
70,000,000	Variable	07/01/15	\$732,275.00 *
45,000,000	Variable	07/01/15	\$657,849.00 *
4,178,000	8.294%	10/01/15	\$346,523.32
1,555,000	8.635%	10/01/15	\$134,274.25
1,466,000	8.470%	10/01/15	\$124,170.20
45,000,000	Variable	01/01/16	\$617,552.00 *
1,686,000	8.635%	10/01/16	\$145,586.10
1,591,000	8.470%	10/01/16	\$134,757.70
8,500,000	Variable	12/01/16	\$180,482.00 *
50,000,000	Variable	01/01/17	\$582,079.00 *
1,722,000	8.470%	10/01/17	\$145,853.40
<u>\$454,960,000</u>			<u>\$14,799,915.68</u>

\*annual interest expense for this period is an estimate for this variable-rate PCRB obligation - uses the 12-Mo ended 12/31/13 interest amounts disclosed for each of these bond series in the Company's 2013 FERC Form-1, page 257.2, column(i).

- 5) Effective federal income tax rate of 33.411% and effective state tax rate of 4.540%.



**EXHIBIT C**  
**PACIFICORP**  
**UNCONSOLIDATED BALANCE SHEET**  
**MARCH 31, 2014**

ASSETS AND OTHER DEBITS	TOTAL CORPORATION	PROPOSED FINANCING	TOTAL PROFORMA
UTILITY PLANT			
UTILITY PLANT (101-106, 114)	24,891,598,419.33		24,891,598,419.33
CONSTRUCTION WORK IN PROGRESS - ELECTRIC (107)	1,420,336,743.01	1,153,983,050.00	2,574,319,793.01
TOTAL UTILITY PLANT	26,311,935,162.34	1,153,983,050.00	27,465,918,212.34
ACCUM PROV FOR DEPRECIATION, AMORTIZATION, DEPLETION CR	8,650,532,664.89		8,650,532,664.89
UTILITY PLANT - NET	17,661,402,497.45	1,153,983,050.00	18,815,385,547.45
NONUTILITY PROPERTY AND INVESTMENTS			
NONUTILITY PROPERTY (121)	13,945,894.42		13,945,894.42
ACCUM PROV FOR DEPR/AMORT OF NONUTILITY PROP (122) CR	2,649,167.08		2,649,167.08
INVESTMENT IN ASSOCIATED COMPANIES (123)	69,928.31		69,928.31
INVESTMENT IN SUBSIDIARY COMPANIES (123.1)	214,190,562.62		214,190,562.62
OTHER INVESTMENTS (124)	81,145,084.99		81,145,084.99
OTHER SPECIAL FUNDS (128)	29,682,494.81		29,682,494.81
LONG-TERM PORTION OF DERIVATIVE INSTRUMENT ASSETS (175)	2,035,027.01		2,035,027.01
TOTAL NONUTILITY PROPERTY & INVESTMENTS	338,419,825.08	0.00	338,419,825.08
CURRENT AND ACCRUED ASSETS			
CASH (131)	20,887,772.68	0.00	20,887,772.68
SPECIAL DEPOSITS (132-134)	170,080.00		170,080.00
WORKING FUNDS (135)	0.00		0.00
TEMPORARY CASH INVESTMENTS (136)	141,939,756.51	(56,075,084.32)	85,864,672.19
NOTES RECEIVABLE (141)	73,227.28		73,227.28
CUSTOMER ACCOUNTS RECEIVABLE (142)	362,481,911.15		362,481,911.15
OTHER ACCOUNTS RECEIVABLE (143)	35,086,834.51		35,086,834.51
ACCUMULATED PROV FOR UNCOLLECTIBLE ACCOUNTS (144) CR	(9,383,987.26)		(9,383,987.26)
NOTES RECEIVABLE FROM ASSOCIATED COMPANIES (145)	0.00		0.00
ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES (146)	6,123,438.99		6,123,438.99
FUEL STOCK (151-152)	226,219,276.10		226,219,276.10
MATERIALS AND SUPPLIES (154-163)	215,111,120.54		215,111,120.54
PREPAYMENTS (165)	44,123,722.94		44,123,722.94
INTEREST AND DIVIDENDS RECEIVABLE (171)	0.00		0.00
RENTS RECEIVABLE (172)	2,294,082.42		2,294,082.42
ACCRUED UTILITY REVENUES (173)	220,162,000.00		220,162,000.00
MISCELLANEOUS CURRENT AND ACCRUED ASSETS (174)	122,038.00		122,038.00
CURRENT PORTION OF DERIVATIVE INSTRUMENT ASSETS (175)	15,466,946.01		15,466,946.01
LONG-TERM PORTION OF DERIVATIVE INSTRUMENT ASSETS (175)	(2,035,027.01)		(2,035,027.01)
DERIVATIVE INSTRUMENT ASSETS - HEDGES (176)	0.00		0.00
TOTAL CURRENT AND ACCRUED ASSETS	1,278,843,192.86	(56,075,084.32)	1,222,768,108.54
DEFERRED DEBITS			
UNAMORTIZED DEBT EXPENSE (181)	35,749,125.23	15,225,000.00	50,974,125.23
EXTRAORDINARY PROPERTY LOSSES (182.1)	0.00		0.00
UNRECOVERED PLANT AND REGULATORY STUDY COSTS (182.2)	1,169,774.53		1,169,774.53
OTHER REGULATORY ASSETS (182.3)	1,370,289,009.27		1,370,289,009.27
PRELIMINARY SURVEY & INVESTIGATION CHARGES (183)	3,619,013.61		3,619,013.61
CLEARING ACCOUNTS (184)	(266,475.50)		(266,475.50)
TEMPORARY FACILITIES (185)	91,528.21		91,528.21
MISCELLANEOUS DEFERRED DEBITS (186)	95,554,613.47		95,554,613.47
RESEARCH DEVELOPMENT DEMONSTRATION EXPENDITURES (188)	0.00		0.00
UNAMORTIZED LOSS ON REACQUIRED DEBT (189)	7,861,351.28		7,861,351.28
ACCUMULATED DEFERRED INCOME TAXES (190)	465,289,184.53		465,289,184.53
TOTAL DEFERRED DEBITS	1,979,357,124.63	15,225,000.00	1,994,582,124.63
TOTAL ASSETS AND OTHER DEBITS	21,258,022,640.02	1,113,132,965.68	22,371,155,605.70

EXHIBIT C  
PAGE 1 OF 2



EXHIBIT C  
PACIFICORP  
UNCONSOLIDATED BALANCE SHEET  
MARCH 31, 2014

LIABILITIES AND OTHER CREDITS	TOTAL CORPORATION	PROPOSED FINANCING	TOTAL PROFORMA
CAPITALIZATION			
COMMON EQUITY			
COMMON STOCK ISSUED (201)	3,417,945,896.24		3,417,945,896.24
COMMON STOCK LIABILITY FOR CONVERSION (203)	0.00		0.00
PREMIUM ON CAPITAL STOCK (207)	0.00		0.00
OTHER PAID-IN CAPITAL (208-211)	1,102,063,956.38		1,102,063,956.38
INSTALLMENTS RECEIVED ON CAPITAL STOCK (212)	0.00		0.00
CAPITAL STOCK EXPENSE (214) DR	41,101,061.25		41,101,061.25
RETAINED EARNINGS (215.1, 216)	2,841,552,981.33	(4,285,745.72)	2,837,267,235.61
UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (216.1)	128,868,132.36		128,868,132.36
REACQUIRED CAPITAL STOCK (217)	0.00		0.00
ACCUMULATED OTHER COMPREHENSIVE INCOME (219)	(9,004,860.17)		(9,004,860.17)
TOTAL COMMON EQUITY	7,440,325,044.89	(4,285,745.72)	7,436,039,299.17
PREFERRED STOCK ISSUED (204)	2,397,600.00		2,397,600.00
LONG-TERM DEBT			
BONDS (221)	7,255,800,000.00	1,120,040,000.00	8,375,840,000.00
POLLUTION CONTROL FUNDS ON DEPOSIT WITH TRUSTEE (221.4, 5)	0.00		0.00
ADVANCES FROM ASSOCIATED COMPANIES (223)	0.00		0.00
OTHER LONG-TERM DEBT (224)	0.00		0.00
UNAMORTIZED PREMIUM ON LONG-TERM DEBT (225)	88,395.15		88,395.15
UNAMORTIZED DISCOUNT ON LONG-TERM DEBT (226) DR	13,951,721.19		13,951,721.19
TOTAL LONG-TERM DEBT	7,241,936,673.96	1,120,040,000.00	8,361,976,673.96
TOTAL CAPITALIZATION	14,684,659,318.85	1,115,754,254.28	15,800,413,573.13
OTHER NONCURRENT LIABILITIES			
OBLIGATIONS UNDER CAPITAL LEASES (227)	32,977,425.71		32,977,425.71
ACCUMULATED PROVISION FOR PROPERTY INSURANCE (228.1)	0.00		0.00
ACCUMULATED PROVISION FOR INJURIES & DAMAGES (228.2)	55,138,272.11		55,138,272.11
ACCUMULATED PROVISION FOR PENSIONS & BENEFITS (228.3)	203,233,185.58		203,233,185.58
ACCUMULATED MISCELLANEOUS OPERATING PROVISIONS (228.4)	37,103,938.69		37,103,938.69
ACCUMULATED PROVISION FOR RATE REFUNDS (229)	0.00		0.00
LONG-TERM PORTION OF DERIVATIVE INSTRUMENT LIABILITIES (244)	23,463,634.13		23,463,634.13
ASSET RETIREMENT OBLIGATION (230)	139,003,305.39		139,003,305.39
TOTAL OTHER NONCURRENT LIABILITIES	490,919,761.61	0.00	490,919,761.61
CURRENT AND ACCRUED LIABILITIES			
NOTES PAYABLE (231)	0.00		0.00
ACCOUNTS PAYABLE (232)	444,019,475.63		444,019,475.63
NOTES PAYABLE TO ASSOCIATED COMPANIES (233)	0.00		0.00
ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES (234)	32,986,116.22		32,986,116.22
CUSTOMER DEPOSITS (235)	37,271,183.62		37,271,183.62
TAXES ACCRUED (236)	98,027,257.00	(2,621,288.60)	95,405,968.40
INTEREST ACCRUED (237)	101,688,529.94		101,688,529.94
DIVIDENDS DECLARED (238)	40,475.50		40,475.50
MATURED LONG-TERM DEBT (239)	0.00		0.00
MATURED INTEREST (240)	0.00		0.00
TAX COLLECTIONS PAYABLE (241)	16,033,004.13		16,033,004.13
MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES (242)	80,543,991.06		80,543,991.06
OBLIGATIONS UNDER CAPITAL LEASES - CURRENT (243)	1,863,858.79		1,863,858.79
DERIVATIVE INSTRUMENT LIABILITIES (244)	42,141,846.28		42,141,846.28
(LESS) LONG-TERM PORTION OF DERIVATIVE INSTRUMENT LIABILITIES	(23,463,634.13)		(23,463,634.13)
DERIVATIVE INSTRUMENT LIABILITIES - HEDGES (245)	0.00		0.00
TOTAL CURRENT AND ACCRUED LIABILITIES	831,152,104.04	(2,621,288.60)	828,530,815.44
DEFERRED CREDITS			
CUSTOMER ADVANCES FOR CONSTRUCTION (252)	24,733,426.80		24,733,426.80
ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (255)	30,907,292.69		30,907,292.69
OTHER DEFERRED CREDITS (253)	316,636,161.19		316,636,161.19
OTHER REGULATORY LIABILITIES (254)	85,134,745.12		85,134,745.12
UNAMORTIZED GAIN ON REACQUIRED DEBT (257)	0.00		0.00
ACCUM DEFERRED INCOME TAXES - ACCEL AMORTIZTN (281)	230,169,130.70		230,169,130.70
ACCUM DEFERRED INCOME TAXES-OTHER PROPERTY (282)	4,010,346,770.92		4,010,346,770.92
ACCUMULATED DEFERRED INCOME TAXES-OTHER (283)	553,363,928.10		553,363,928.10
TOTAL DEFERRED CREDITS	5,251,291,455.52	0.00	5,251,291,455.52
TOTAL LIABILITIES AND OTHER CREDITS	21,258,022,640.02	1,113,132,965.68	22,371,155,605.70

## **EXHIBIT D**

APPLICATION OF ROCKY MOUNTAIN POWER



**EXHIBIT D**  
**PACIFICORP**  
**UNCONSOLIDATED STATEMENT OF INCOME**  
**12 MONTHS ENDED MARCH 31, 2014**

	TOTAL CORPORATION	PROPOSED FINANCING	TOTAL PROFORMA
UTILITY OPERATING INCOME			
OPERATING REVENUES	5,214,789,026.78		5,214,789,026.78
OPERATION AND MAINTENANCE EXPENSE			
OPERATION	2,713,685,235.59		2,713,685,235.59
MAINTENANCE	421,813,995.02		421,813,995.02
TOTAL OPERATION AND MAINTENANCE EXPENSE	3,135,499,230.61	0.00	3,135,499,230.61
DEPRECIATION	658,376,246.34		658,376,246.34
AMORTIZATION	7,792,671.83		7,792,671.83
TAXES OTHER THAN INCOME TAXES	168,627,886.03		168,627,886.03
CURRENT INCOME TAXES	110,838,074.07	(2,621,288.60)	108,216,785.47
PROVISION FOR DEFERRED INCOME TAXES	183,249,337.61		183,249,337.61
INVESTMENT TAX CREDIT ADJUSTMENTS -- NET	(2,675,830.40)		(2,675,830.40)
GAINS FROM DISPOSITION OF UTILITY PLANT CR	0.00		0.00
LOSSES FROM DISPOSITION OF UTILITY PLANT	63,380.90		63,380.90
GAINS FROM DISPOSITION OF ALLOWANCES CR	16,686.11		16,686.11
ACCRETION EXPENSE	0.00		0.00
UTILITY OPERATING INCOME	953,034,715.90	2,621,288.60	955,656,004.50
OTHER INCOME AND DEDUCTIONS			
OTHER INCOME			
INCOME FROM MERCHANDISING	(492,081.09)		(492,081.09)
INCOME FROM NONUTILITY OPERATIONS	201,126.14		201,126.14
NONOPERATING RENTAL INCOME	145,125.87		145,125.87
EQUITY IN EARNINGS OF SUBSIDIARIES	11,171,951.78		11,171,951.78
INTEREST AND DIVIDEND INCOME	6,280,875.02		6,280,875.02
ALLOW FOR FUNDS USED DURING CONSTRUCTION	58,453,861.98		58,453,861.98
MISCELLANEOUS NONOPERATING INCOME	746,483.86		746,483.86
GAIN ON DISPOSITION OF PROPERTY	266,963.44		266,963.44
TOTAL OTHER INCOME	76,774,307.00	0.00	76,774,307.00
OTHER INCOME DEDUCTIONS			
LOSS ON DISPOSITION OF PROPERTY	327,790.26		327,790.26
MISCELLANEOUS AMORTIZATION	1,311,173.94		1,311,173.94
MISCELLANEOUS INCOME DEDUCTIONS	7,989,608.44		7,989,608.44
TOTAL OTHER INCOME DEDUCTIONS	9,628,572.64	0.00	9,628,572.64
TAXES APPLIC TO OTHER INCOME & DEDUCTIONS			
TAXES OTHER THAN INCOME TAXES	332,831.82		332,831.82
INCOME TAXES	(2,251,635.96)		(2,251,635.96)
DEFERRED INCOME TAXES	1,023,362.96		1,023,362.96
INVESTMENT TAX CREDITS	(856,440.70)		(856,440.70)
TOTAL TAXES APPLIC TO OTHER INC & DED	(1,751,881.88)	0.00	(1,751,881.88)
NET OTHER INCOME AND DEDUCTIONS	68,897,616.24	0.00	68,897,616.24
INCOME BEFORE INTEREST CHARGES	1,021,932,332.14	2,621,288.60	1,024,553,620.74
INTEREST CHARGES			
INTEREST ON LONG-TERM DEBT	355,809,947.84	56,075,084.32	411,885,032.16
AMORTIZATION OF DEBT DISCOUNT AND EXPENSE	3,926,048.82	525,000.00	4,451,048.82
AMORTIZATION OF LOSS ON REACQUIRED DEBT	1,202,911.13		1,202,911.13
AMORTIZATION OF PREMIUM ON DEBT	(11,025.90)		(11,025.90)
AMORTIZATION OF GAIN ON REACQUIRED DEBT	0.00		0.00
INTEREST ON DEBT TO ASSOCIATED COMPANIES	17,232.64		17,232.64
OTHER INTEREST EXPENSE	13,304,961.96		13,304,961.96
ALLOW FOR BRD FUNDS USED DURING CONSTR	(29,779,314.81)	(49,693,050.00)	(79,472,364.81)
NET INTEREST CHARGES	344,470,761.68	6,907,034.32	351,377,796.00
INCOME BEFORE EXTRAORD. ITEMS	677,461,570.46	(4,285,745.72)	673,175,824.74
EXTRAORDINARY ITEMS -- NET OF INCOME TAX			
INCOME TAX ON CUM. EFFECT OF CHANGE IN ACCT. PRINC	0.00		0.00
CUMULATIVE EFFECT OF CHANGE IN ACCT. PRINCIPLE	0.00		0.00
NET INCOME	677,461,570.46	(4,285,745.72)	673,175,824.74
PREFERRED DIVIDEND REQUIREMENTS	1,021,824.82		1,021,824.82
EARNINGS AVAILABLE FOR COMMON STOCK	676,439,745.64	(4,285,745.72)	672,153,999.92

EXHIBIT D  
PAGE 1 OF 1



**EXHIBIT E**

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

**FORM S-3**

**REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933**

**PACIFICORP**

(Exact name of registrant as specified in its charter)

**Oregon**

(State or other jurisdiction of incorporation or organization)

**93-0246090**

(IRS Employer Identification No.)

**825 N.E. Multnomah Street**  
**Portland, Oregon 97232**  
**(503) 813-5608**

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

**Bruce N. Williams**  
**Vice President and Treasurer**  
**825 N.E. Multnomah Street, Suite 1900**  
**Portland, Oregon 97232**  
**(503) 813-5662**

(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copy to:  
**M. Christopher Hall**  
**Perkins Coie LLP**  
**1120 N.W. Couch Street, Tenth Floor**  
**Portland, Oregon 97209**  
**(503) 727-2000**

Approximate date of commencement of proposed sale to the public: **From time to time after this registration statement becomes effective as determined by market conditions and other factors.**

If the only securities being registered on this Form are to be offered pursuant to dividend or interest reinvestment plans, please check the following box: ☐

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box: ☒

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box. ☒

If this Form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.D. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) of the Securities Act, check the following box. ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐

Accelerated filer ☐

Non-accelerated filer ☒

Smaller reporting company ☐

(Do not check if a smaller reporting company)

#### CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Amount to be registered	Proposed maximum offering price per unit	Proposed maximum aggregate offering price	Amount of registration fee
First Mortgage Bonds	(1)	(1)	(1)	(2)

(1) An indeterminate aggregate initial offering price and number of securities are being registered as may from time to time be offered at indeterminate prices.

(2) In accordance with Rules 456(b) and 457(r), the Registrant is deferring payment of the registration fee and will pay such fee on a pay-as-you-go basis.

PROSPECTUS

PACIFICORP

FIRST MORTGAGE BONDS

PacifiCorp, an Oregon corporation, may from time to time offer First Mortgage Bonds ("Additional Bonds" or "Securities") in one or more issuances or series at prices and on terms to be determined at the time of sale.

We will provide specific terms of the Securities, including, as applicable, the amount offered, offering prices, interest rates, maturities and redemption or repurchase provisions, in supplements to this prospectus. The supplements may also add, update or change information contained in this prospectus. You should read this prospectus and any supplements carefully before you invest.

We may sell the Securities directly or through agents designated from time to time or through underwriters or dealers. The supplements to this prospectus will describe the terms of any particular plan of distribution, including any underwriting arrangements. The "Plan of Distribution" section in this prospectus provides more information on this topic.

This prospectus may not be used to consummate sales of Securities unless accompanied by a prospectus supplement relating to the Securities offered.

**Investing in our Securities involves risks. See the "Risk Factors" section beginning on page 2 of this prospectus for information on certain matters you should consider before buying our Securities.**

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THESE SECURITIES OR DETERMINED IF THIS PROSPECTUS IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The date of this prospectus is November 12, 2013.

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We have not authorized anyone to give you any information other than this prospectus and any supplements to this prospectus. You should not assume that the information contained in this prospectus, any prospectus supplement, any document incorporated by reference in this prospectus or any free writing prospectuses is accurate as of any date other than the date mentioned on the cover page of those documents. Our business, financial condition and results of operations may have changed since that date. We are not offering to sell the Securities and we are not soliciting offers to buy the Securities in any jurisdiction in which offers are not permitted.



## ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement on Form S-3 that PacifiCorp filed with the Securities and Exchange Commission (the "SEC") using the "shelf" registration process. Under this shelf registration process, we may from time to time sell the Securities described in this prospectus in one or more offerings. This prospectus provides a general description of the Securities. Each time we sell Securities, we will provide a prospectus supplement that will contain specific information about the terms of that offering. That prospectus supplement may include or incorporate by reference a detailed and current discussion of any risk factors and will discuss any special considerations applicable to those securities. The prospectus supplement may also add, update or change information contained in this prospectus. You should read both this prospectus and any prospectus supplement together with additional information described under "Where You Can Find More Information." If there is any inconsistency between the information in this prospectus and any prospectus supplement, you should rely on the information contained in that prospectus supplement.

Unless otherwise indicated or unless the context otherwise requires, in this prospectus, the words "PacifiCorp," "Company," "we," "our" and "us" refer to PacifiCorp, an Oregon corporation, and its subsidiaries.

For more detailed information about the Securities, you can read the exhibits to the registration statement. Those exhibits have been either filed with the registration statement or incorporated by reference to earlier SEC filings listed in the registration statement. See "Where You Can Find More Information."

## FORWARD-LOOKING STATEMENTS

This prospectus, any accompanying prospectus supplement and the additional information described under the heading "Where You Can Find More Information" may contain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act") and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), which are subject to the safe harbor created by the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical fact are "forward-looking statements" for purposes of these provisions. Examples include discussions as to our expectations, beliefs, plans, goals, objectives and future financial or other performance or assumptions concerning matters discussed, including through incorporation by reference, in this prospectus. This information, by its nature, involves estimates, projections, forecasts, risks and uncertainties that could cause actual results or outcomes to differ substantially from those expressed in the forward-looking statements found in this prospectus and the documents incorporated by reference in this prospectus.

Our business is influenced by many factors that are difficult to predict, involve uncertainties that may materially affect actual results and are often beyond our ability to control. We have identified a number of these factors in our filings with the SEC, including the Form 10-K, the Forms 10-Q and the Forms 8-K incorporated by reference in this prospectus, and we refer you to those reports for further information.

Any forward-looking statement speaks only as of the date on which it is made, and we undertake no obligation to update any forward-looking statement to reflect events or circumstances after the date on which it is made. The forward-looking statements in this prospectus and the documents incorporated by reference in this prospectus are qualified in their entirety by the preceding cautionary statements.

## THE COMPANY

We are a regulated, vertically integrated electric utility company serving retail customers, including residential, commercial, industrial, irrigation and other customers in portions of the states of Utah, Oregon, Wyoming, Washington, Idaho and California. We own, or have interests in, a number of thermal, hydroelectric, wind-powered and geothermal generating facilities, as well as electric transmission and distribution assets. We also buy and sell electricity on the wholesale market with other utilities, energy marketing companies, financial institutions and other market participants to balance and optimize the economic benefits of electricity generation, retail loads and existing wholesale transactions. We are subject to comprehensive state and federal regulation. Our subsidiaries support our electric utility operations by providing coal mining services.

We are an indirect subsidiary of MidAmerican Energy Holdings Company ("MEHC"), a holding company based in Des Moines, Iowa that owns subsidiaries principally engaged in energy businesses. MEHC is a consolidated subsidiary of Berkshire Hathaway Inc. MEHC controls substantially all of our voting securities, which include both common and preferred stock.

Our principal executive offices are located at 825 N.E. Multnomah Street, Portland, Oregon 97232 and our telephone number is (503) 813-5608. We were initially incorporated in 1910 under the laws of the state of Maine under the name Pacific Power & Light Company. In 1984, Pacific Power & Light Company changed its name to PacifiCorp. In 1989, we merged with Utah Power and Light Company, a Utah corporation, in a transaction wherein both corporations merged into a newly formed Oregon corporation. The resulting Oregon corporation was re-named PacifiCorp, which is the operating entity today.

For additional information concerning our business and affairs, including our capital requirements and external financing arrangements, and pending legal and regulatory proceedings, including descriptions of those laws and regulations to which we are subject, prospective purchasers should refer to the documents incorporated by reference into this prospectus as described in the section entitled "Where You Can Find More Information."

## RISK FACTORS

Investing in our Securities involves risk. Before purchasing any Securities we offer, you should carefully consider the risk factors described in our periodic reports filed with the SEC and the following risk factors related to the Securities, as well as the other information contained in this prospectus, any prospectus supplement and the information incorporated by reference herein in order to evaluate an investment in our Securities. See "Forward-Looking Statements" and "Where You Can Find More Information" in this prospectus. Additional risks and uncertainties that are not yet identified or that we currently believe are immaterial may also materially harm our business, operating results and financial condition and could result in a loss on your investment.

**We have not appraised the collateral subject to the mortgage securing our Additional Bonds ("Mortgage") and, if there is a default or a foreclosure sale, the value of the collateral may not be sufficient to repay the holders of any Additional Bonds.**

We have not made any formal appraisal of the value of the collateral subject to the Mortgage, which will secure any Additional Bonds. The value of the collateral in the event of liquidation will depend on market and economic conditions, the availability of buyers, the timing of the sale of the collateral and other factors. We cannot assure you that the proceeds from a sale of all of the collateral would be sufficient to satisfy the amounts outstanding under the Additional Bonds and our other first mortgage bonds secured by the same collateral or that such payments would be made in a timely manner. If the proceeds were not sufficient to repay amounts outstanding under the Additional Bonds, then holders of the Additional Bonds, to the extent not repaid from the proceeds of the sale of the collateral, would only have an unsecured claim against our remaining assets.

**There is no existing market for the Securities, and we cannot assure you that an active trading market for the Securities will develop.**

We do not intend to apply for listing of the Securities on any securities exchange or automated quotation system. There can be no assurance as to the liquidity of any market that may develop for the Securities. Accordingly, the ability of holders to sell the Securities that they hold or the price at which holders will be able to sell the Securities may be limited. Future trading prices of the Securities will depend on many factors, including, among other things, prevailing interest rates, our operating results and the market for similar securities.

We do not know whether an active trading market will develop for the Securities. To the extent that an active trading market does develop, the price at which a holder may be able to sell the Securities that it holds, if at all, may be less than the price paid for them. Consequently, a holder may not be able to liquidate its investment readily, and the Securities may not be readily accepted as collateral for loans.

## CONSOLIDATED RATIOS OF EARNINGS TO FIXED CHARGES

Nine-Month Period Ended	Years Ended December 31,				
September 30, 2013	2012	2011	2010	2009	2008
3.7x	2.9x	2.9x	3.0x	2.9x	3.0x

## WHERE YOU CAN FIND MORE INFORMATION

This prospectus is part of a registration statement filed with the SEC. The registration statement contains additional information and exhibits not included in this prospectus and refers to documents that are filed as exhibits to other SEC filings. We file annual, quarterly and current reports and other information with the SEC. Our SEC filings are available to the public over the Internet at the SEC's web site at <http://www.sec.gov>. You may also read and copy any document we file at the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information regarding the public reference rooms. Our SEC filings can also be accessed through the Financial Information section of our website at [www.pacifiCorp.com](http://www.pacifiCorp.com). The information found on our website, other than any of our SEC filings that are incorporated by reference herein, is not part of this prospectus.

The SEC allows us to "incorporate by reference" the information we file with it, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be part of this prospectus and later information that we file with the SEC will automatically update or supersede this information. We incorporate by reference the documents listed below and any future filings made with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act (but only to the extent the information therein is filed and not furnished) until all of the securities covered by this prospectus have been sold:

- Annual Report on Form 10-K for the year ended December 31, 2012.
- Quarterly Reports on Form 10-Q for the quarters ended March 31, 2013, June 30, 2013 and September 30, 2013.
- Current Report on Form 8-K filed June 6, 2013.

You may request a copy of these filings (other than exhibits to such documents unless such exhibits are specifically incorporated by reference therein), at no cost, by writing or telephoning us at the following address:

PacifiCorp  
825 N.E. Multnomah Street, Suite 1900  
Portland, Oregon 97232  
Telephone: (503) 813-5611  
Attention: Treasury

You should rely only on the information contained in, or incorporated by reference in, this prospectus and the prospectus supplement. We have not, and any underwriters, agents or dealers have not, authorized anyone else to provide you with different information. We are not, and any underwriters, agents or dealers are not, making an offer of these Securities in any state where the offer or sale is not permitted. You should not assume that the information contained in this prospectus and the prospectus supplement is accurate as of any date other than the date on the front of the prospectus supplement or that the information incorporated by reference in this prospectus is accurate as of any date other than the date on the front of those documents.

## USE OF PROCEEDS

Unless otherwise indicated in a prospectus supplement, the net proceeds to be received by us from the issuance and sale of the Securities will initially become part of our general funds and will be used for capital expenditures or utility asset purchases, to repay all or a portion of our short- or long-term borrowings and for general corporate purposes.

## DESCRIPTION OF ADDITIONAL BONDS

### General

Additional Bonds may be issued from time to time under our Mortgage and Deed of Trust, dated as of January 9, 1989, as amended and supplemented (the "Mortgage"), with The Bank of New York Mellon Trust Company, N.A. (as successor trustee to JPMorgan Chase Bank, N.A.) (the "Mortgage Trustee"). The following summary is subject to the provisions of and is qualified by reference to the Mortgage, a copy of which is an exhibit to the Registration Statement. Whenever particular provisions or defined terms in the Mortgage are referred to herein, those provisions or defined terms are incorporated by reference herein. Section and Article references used below are references to provisions of the Mortgage unless otherwise noted. When we refer to "bonds," we refer to all first mortgage bonds issued under the Mortgage, including the Additional Bonds.

We expect to issue Additional Bonds in the form of fully registered bonds and, except as may be set forth in any prospectus supplement relating to those Additional Bonds, in denominations of \$2,000 and any integral multiples of \$1,000 in excess thereof. The Additional Bonds may be transferred without charge, other than for applicable taxes or other governmental charges, at the offices of the Mortgage Trustee, New York, New York. Any Additional Bonds issued will be equally and ratably secured with all other bonds issued under the Mortgage. See "Book-Entry, Delivery and Form."

### **Maturity and Interest Payments**

The prospectus supplement relating to any Additional Bonds will set forth the date or dates on which those Additional Bonds will mature, the rate or rates per annum at which those Additional Bonds will bear interest and the times at which any interest will be payable. Those terms, as well as other terms and conditions of the Additional Bonds, including those related to redemption and purchase referred to under "Redemption or Purchase of Additional Bonds" below, will be established by resolution of our Board of Directors at the time we issue the Additional Bonds.

### **Redemption or Purchase of Additional Bonds**

The prospectus supplement relating to any Additional Bonds will set forth the redemption or repurchase terms and other specific terms of those Additional Bonds.

If, at the time notice of redemption is given, the redemption amount is not held by the Mortgage Trustee, the redemption may be made subject to the receipt of the redemption amount by the Mortgage Trustee on or before the date fixed for redemption. A redemption notice will be of no effect unless the redemption amount is received.

The Mortgage, as described below, contains provisions for the maintenance of the Mortgaged and Pledged Property. There is no sinking or analogous fund in the Mortgage.

Cash deposited under any provisions of the Mortgage may be applied (with specific exceptions) to the redemption or repurchase of bonds of any series. (Section 7.03, Article XII and Section 13.06)

### **Security and Priority**

The Additional Bonds will be issued under the Mortgage and secured by a first mortgage lien on certain utility property owned from time to time by us and/or by Class "A" Bonds, if any, held by the Mortgage Trustee.

There are excepted from the Mortgage all cash and securities (except those specifically deposited); equipment, materials or supplies held for sale or other disposition; any fuel and similar consumable materials and supplies; automobiles, other vehicles, aircraft and vessels; timber, minerals, mineral rights and royalties; receivables, contracts, leases and operating agreements; electric energy, gas, water, steam and other products for sale, distribution or other use; natural gas wells; gas transportation lines or other property used in the sale of natural gas to customers or to a natural gas distribution or pipeline company, up to the point of connection with any distribution system; our interest in the Wyodak Facility; and all properties that have been released from the discharged Mortgages and Deeds of Trust, as supplemented, of Pacific Power & Light Company and Utah Power & Light Company and that PacifiCorp, a Maine corporation, or Utah Power & Light Company, a Utah corporation, contracted to dispose of, but title to which had not passed at the date of the Mortgage. The lien of the Mortgage is also subject to Excepted Encumbrances, including tax and construction liens, purchase money liens and other specific exceptions. We have reserved the right, without any consent or other action by holders of bonds of the Ninth Series or any subsequently created series of bonds, to amend the Mortgage in order to except from the lien of the Mortgage allowances allocated to steam-electric generating plants owned by us, or in which we have interests, pursuant to Title IV of the Clean Air Act Amendments of 1990, as now in effect or as hereafter supplemented or amended.

The Mortgage contains provisions subjecting after-acquired property to the mortgage lien thereof. These provisions may be limited, at our option, in the case of consolidation or merger (whether or not we are the surviving corporation), conveyance or transfer of all or substantially all of the utility property of another electric utility company to us or sale of substantially all of our assets. (Section 18.03) In addition, after-acquired property may be subject to a Class "A" Mortgage, purchase money mortgages and other liens or defects in title.

The Mortgage provides that the Mortgage Trustee shall have a lien on the mortgaged property, prior to the holders of bonds, for the payment of its reasonable compensation and expenses and for indemnity against certain liabilities. (Section 19.09)

### **Issuance of Additional Bonds**

The maximum principal amount of bonds that may be issued under the Mortgage is unlimited. Bonds of any series may be issued from time to time on the basis of:

- (1) 70% of qualified Property Additions after adjustments to offset retirements;
- (2) Class "A" Bonds (which need not bear interest) delivered to the Mortgage Trustee;
- (3) retirement of bonds or certain prior lien bonds; and/or
- (4) deposits of cash.

With certain exceptions in the case of clauses (2) and (3) above, the issuance of bonds is subject to our Adjusted Net Earnings for 12 consecutive months out of the preceding 15 months, before interest expense and income taxes, being at least twice the Annual Interest Requirements on all outstanding bonds issued under the Mortgage, all outstanding Class "A" Bonds held other than by the Mortgage Trustee or by us, all other indebtedness secured by a lien prior to the lien of the Mortgage and all bonds then applied for in pending bond issuance applications under the Mortgage. In general, interest on variable interest bonds, if any, is calculated using the rate then in effect. (Section 1.07 and Articles IV through VII)

Property Additions generally include electric, gas, steam and/or hot water utility property but not fuel, securities, automobiles, other vehicles or aircraft, or property used principally for the production or gathering of natural gas. (Section 1.04)

The issuance of bonds on the basis of Property Additions subject to prior liens is restricted. Bonds may, however, be issued against the deposit of Class "A" Bonds. (Sections 1.04 through 1.06 and Articles IV and V)

### **Release and Substitution of Property**

Property subject to the Mortgage may be released on the basis of:

- (1) the release of that property from a Class "A" Mortgage;
- (2) the deposit of cash or, to a limited extent, purchase money mortgages;
- (3) Property Additions, after making adjustments for certain prior lien bonds outstanding against Property Additions; and/or
- (4) a waiver of the right to issue bonds on the basis of the released property.

Funded Cash, as defined in Section 1.05 of the Mortgage, may be withdrawn upon the bases stated in (1), (3) and (4) above. Property that does not constitute Funded Property, as defined in Section 1.05 of the Mortgage, may be released without substituting other Funded Property. Similar provisions are in effect as to cash proceeds from such property. The Mortgage contains special provisions with respect to certain prior lien bonds deposited and disposition of moneys received on deposited prior lien bonds. (Sections 1.05, 7.02, 9.05, 10.01 through 10.04 and 13.03 through 13.09)

### **Merger or Consolidation**

The Mortgage provides that in the event of the merger or consolidation of another company with or into us or the conveyance or transfer to us by another company of all or substantially all of that company's property that is of the same character as Property Additions, as defined in the Mortgage, an existing mortgage constituting a first lien on operating properties of that other company may be designated by us as a Class "A" Mortgage. (Section 11.06) Bonds thereafter issued pursuant to the additional mortgage would be Class "A" Bonds and could provide the basis for the issuance of bonds under the Mortgage.



## **Certain Covenants**

The Mortgage contains a number of covenants by us for the benefit of the holders of the bonds, including provisions requiring us to maintain the mortgaged property as an operating system or systems capable of engaging in all or any of the generating, transmission, distribution or other utility businesses described in the Mortgage. (Article IX)

## **Dividend Restrictions**

The Mortgage provides that we may not declare or pay dividends (other than dividends payable solely in shares of our common stock) on any shares of our common stock if, after giving effect to the declaration or payment, we would not be able to pay our debts as they become due in the usual course of business. (Section 9.07) The notes to our audited consolidated financial statements included in our Report on Form 10-K incorporated by reference herein contain information relating to other restrictions.

## **Foreign Currency Denominated Bonds**

The Mortgage authorizes the issuance of bonds denominated in foreign currencies, provided that we deposit with the Mortgage Trustee a currency exchange agreement with an entity having, at the time of the deposit, a financial rating at least as high as our financial rating that, in the opinion of an independent expert, gives us at least as much protection against currency exchange fluctuation as is usually obtained by similarly situated borrowers. (Section 2.03) We believe that this type of currency exchange agreement will provide effective protection against currency exchange fluctuations. However, if the other party to the exchange agreement defaults and the foreign currency is valued higher at the date of maturity than at the date of issuance of the relevant bonds, holders of those bonds would have a claim on our assets that is greater than the claim to which holders of dollar-denominated bonds issued at the same time would be entitled.

## **The Mortgage Trustee**

The Bank of New York Mellon Trust Company, N.A. or its affiliates may act as a lender, trustee or agent under other agreements and indentures involving us and our affiliates.

## **Modification**

The rights of bondholders may be modified with the consent of holders of at least 60% of the bonds, or, if not all series of bonds are adversely affected, the consent of the holders of at least 60% of the series of bonds adversely affected. In general, no modification of the terms of payment of principal, premium, if any, or interest and no modification affecting the lien or reducing the percentage required for modification is effective against any bondholder without the consent of the holder. (Section 21.07)

Unless we are in default in the payment of the interest on any bonds then Outstanding under the Mortgage or there is a Default under the Mortgage, the Mortgage Trustee generally is required to vote Class "A" Bonds held by it with respect to any amendment of the applicable Class "A" Mortgage proportionately with the vote of the holders of all Class "A" Bonds then actually voting. (Section 11.03)

## **Defaults and Notice Thereof**

"Defaults" are defined in the Mortgage as:

- (1) default in payment of principal;
- (2) default for 60 days in payment of interest or an installment of any fund required to be applied to the purchase or redemption of any bonds;
- (3) default in payment of principal or interest with respect to certain prior lien bonds;
- (4) certain events in bankruptcy, insolvency or reorganization;
- (5) default in other covenants for 90 days after notice; or



- (6) the existence of any default under a Class "A" Mortgage that permits the declaration of the principal of all the bonds secured by the Class "A" Mortgage and the interest accrued thereupon due and payable. (Section 15.01)

An effective default under any Class "A" Mortgage or under the Mortgage will result in an effective default under all those mortgages. The Mortgage Trustee may withhold notice of default (except in payment of principal, interest or funds for retirement of bonds) if it determines that it is not detrimental to the interests of the bondholders. (Section 15.02)

The Mortgage Trustee or the holders of 25% of the bonds may declare the principal and interest due and payable on Default, but a majority may annul the declaration if the Default has been cured. (Section 15.03) No holder of bonds may enforce the lien of the Mortgage unless the Mortgage Trustee is given written notice of a Default and the Mortgage Trustee fails to act after the holders of 25% of the bonds have requested in writing the Mortgage Trustee to act, offered it reasonable opportunity to act and offered an indemnity satisfactory to it against the costs, expenses and liabilities that may be incurred when enforcing the lien. (Section 15.16) The holders of a majority of the bonds may direct the time, method and place of conducting any proceedings for any remedy available to the Mortgage Trustee or exercising any trust or power conferred on the Mortgage Trustee. (Section 15.07) The Mortgage Trustee is not required to risk its funds or incur personal liability if there is reasonable ground for believing that repayment is not reasonably assured. (Section 19.08)

### **Defeasance**

Under the terms of the Mortgage, we will be discharged from any and all obligations under the Mortgage in respect of the bonds of any series if we deposit with the Mortgage Trustee, in trust, moneys or government obligations, in an amount sufficient to pay all the principal of, premium (if any) and interest on, the bonds of those series or portions thereof, on the redemption date or maturity date thereof, as the case may be. The Mortgage Trustee need not accept the deposit unless it is accompanied by an opinion of counsel to the effect that (a) we have received from, or there has been published by, the Internal Revenue Service a ruling or, (b) since the date of the Mortgage, there has been a change in applicable federal income tax law, in either case to the effect that, and based thereon the opinion of counsel shall confirm that, the holders of the bonds or the right of payment of interest thereon (as the case may be) will not recognize income, gain or loss for federal income tax purposes as a result of the deposit, and/or ensuing discharge and will be subject to federal income tax on the same amount and in the same manner and at the same times, as would have been the case if the deposit and/or discharge had not occurred. (Section 20.02)

Upon the deposit, our obligation to pay the principal of (and premium, if any) and interest on those bonds shall cease, terminate and be completely discharged and the holders of such bonds shall thereafter be entitled to receive payment solely from the funds deposited. (Section 20.02)

### **BOOK-ENTRY, DELIVERY AND FORM**

Unless we indicate differently in a prospectus supplement, the Additional Bonds initially will be issued in book-entry form and represented by one or more global bonds without interest coupons. The global bonds will be deposited with, or on behalf of, The Depository Trust Company, New York, New York, as depository, or DTC, and registered in the name of Cede & Co., the nominee of DTC. Unless and until it is exchanged for individual certificates evidencing Additional Bonds under the limited circumstances described below, a global bond may not be transferred except as a whole by the depository to its nominee or by the nominee to the depository, or by the depository or its nominee to a successor depository or to a nominee of the successor depository.

DTC has advised us that it is:

- a limited-purpose trust company organized under the New York Banking Law;
- a "banking organization" within the meaning of the New York Banking Law;
- a member of the Federal Reserve System;
- a "clearing corporation" within the meaning of the New York Uniform Commercial Code; and
- a "clearing agency" registered pursuant to the provisions of Section 17A of the Exchange Act.

DTC holds securities that its participants deposit with DTC. DTC also facilitates the settlement among its participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerized book-entry changes in participants' accounts, thereby eliminating the need for physical movement of securities certificates. "Direct participants" in DTC include securities brokers and dealers, including underwriters, banks, trust companies, clearing

corporations and other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation, or DTCC. DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others, which we sometimes refer to as indirect participants, that clear through or maintain a custodial relationship with a direct participant, either directly or indirectly. The rules applicable to DTC and its participants are on file with the SEC.

Purchases of securities under the DTC system must be made by or through direct participants, which will receive a credit for the securities on DTC's records. The ownership interest of the actual purchaser of a security, which we sometimes refer to as a beneficial owner, is in turn recorded on the direct and indirect participants' records. Beneficial owners of securities will not receive written confirmation from DTC of their purchases. However, beneficial owners are expected to receive written confirmations providing details of their transactions, as well as periodic statements of their holdings, from the direct or indirect participants through which they purchased securities. Transfers of ownership interests in global securities are to be accomplished by entries made on the books of participants acting on behalf of beneficial owners. Beneficial owners will not receive certificates representing their ownership interests in the global securities, except under the limited circumstances described below.

To facilitate subsequent transfers, all global bonds deposited by direct participants with DTC will be registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of global bonds with DTC and their registration in the name of Cede & Co. or such other nominee will not change the beneficial ownership of the global bonds. DTC has no knowledge of the actual beneficial owners of the global bonds. DTC's records reflect only the identity of the direct participants to whose accounts the global bonds are credited, which may or may not be the beneficial owners. The participants are responsible for keeping account of their holdings on behalf of their customers.

So long as the Additional Bonds are in book-entry form, you will receive payments and may transfer the Additional Bonds only through the facilities of the depository and its direct and indirect participants. We will maintain an office or agency in the location specified in the prospectus supplement for the applicable Additional Bonds, where notices and demands in respect of the Additional Bonds and the Mortgage may be delivered to us and where certificated securities may be surrendered for payment, registration of transfer or exchange.

Conveyance of notices and other communications by DTC to direct participants, by direct participants to indirect participants and by direct participants and indirect participants to beneficial owners will be governed by arrangements among them, subject to any legal requirements in effect from time to time.

Redemption notices will be sent to DTC. If less than all of the Additional Bonds of a particular series are being redeemed, DTC's practice is to determine by lot the amount of the interest of each direct participant in the Additional Bonds of such series to be redeemed.

Neither DTC nor Cede & Co. (or such other DTC nominee) will consent or vote with respect to the Additional Bonds. Under its usual procedures, DTC will mail an omnibus proxy to us as soon as possible after the record date. The omnibus proxy assigns the consenting or voting rights of Cede & Co. to those direct participants to whose accounts the Additional Bonds of such series are credited on the record date, identified in a listing attached to the omnibus proxy.

So long as Additional Bonds are in book-entry form, we will make payments on those Additional Bonds to the depository or its nominee, as the registered owner of such Additional Bonds, by wire transfer of immediately available funds. If Additional Bonds are issued in definitive certificated form under the limited circumstances described below, we will have the option of making payments by check mailed to the addresses of the persons entitled to payment or by wire transfer to bank accounts in the United States designated in writing to the applicable trustee or other designated party at least 15 days before the applicable payment date by the persons entitled to payment, unless a shorter period is satisfactory to the applicable trustee or other designated party.

Redemption proceeds on the Additional Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit direct participants' accounts upon DTC's receipt of funds and corresponding detail information from us on the payment date in accordance with their respective holdings shown on DTC records. Payments by participants to beneficial owners will be governed by standing instructions and customary practices, as is the case with securities held for the account of customers in bearer form or registered in "street name." Those payments will be the responsibility of participants and not of DTC or us, subject to any statutory or regulatory requirements in effect from time to time. Payment of redemption proceeds to Cede & Co., or such other nominee as may be requested by an

authorized representative of DTC, is our responsibility, disbursement of payments to direct participants is the responsibility of DTC, and disbursement of payments to the beneficial owners is the responsibility of direct and indirect participants.

Neither we, the Mortgage Trustee nor any agent of ours or of the Mortgage Trustee has or will have any responsibility or liability for:

- (1) any aspect of DTC's records or any participant's or indirect participant's records relating to, or payments made on account of, beneficial ownership interests in the Additional Bonds or for maintaining, supervising or reviewing any of DTC's records or any participant's or indirect participant's records relating to the beneficial ownership interests in the Additional Bonds; or
- (2) any other matter relating to the actions and practices of DTC or any of its participants or indirect participants.

Except under the limited circumstances described below, purchasers of Additional Bonds will not be entitled to have such Additional Bonds registered in their names and will not receive physical delivery of such Additional Bonds. Accordingly, each beneficial owner must rely on the procedures of DTC and its participants to exercise any rights under the Additional Bonds and the Mortgage.

The laws of some jurisdictions may require that some purchasers of securities take physical delivery of securities in definitive form. Those laws may impair the ability to transfer or pledge beneficial interests in the Additional Bonds.

DTC may discontinue providing its services as securities depository with respect to the Additional Bonds at any time by giving reasonable notice to us. Under such circumstances, in the event that a successor depository is not obtained, certificates representing the Additional Bonds are required to be printed and delivered.

As noted above, beneficial owners of a particular series of Additional Bonds generally will not receive certificates representing their ownership interests in those Additional Bonds. However, if:

- DTC notifies us that it is unwilling or unable to continue as a depository for the global security or securities representing such series of Additional Bonds or if DTC ceases to be a clearing agency registered under the Exchange Act at a time when it is required to be registered and a successor depository is not appointed within 90 days of the notification to us or of our becoming aware of DTC's ceasing to be so registered, as the case may be;
- we determine, in our sole discretion and subject to DTC's procedures, not to have such Additional Bonds represented by one or more global securities; or
- an Event of Default has occurred and is continuing with respect to such series of Additional Bonds,

we will prepare and deliver certificates for such Additional Bonds in exchange for beneficial interests in the global bonds. Any beneficial interest in a global bond that is exchangeable under the circumstances described in the preceding sentence will be exchangeable for Additional Bonds in definitive certificated form registered in the names that the depository directs. It is expected that these directions will be based upon directions received by the depository from its participants with respect to ownership of beneficial interests in the global bonds.

We have obtained the information in this section and elsewhere in this prospectus concerning DTC and DTC's book-entry system from sources that are believed to be reliable, but we take no responsibility for the accuracy of this information.

#### **PLAN OF DISTRIBUTION**

We may sell the Securities through underwriters, dealers or agents, or directly to one or more purchasers. The prospectus supplement with respect to the Securities being offered will set forth the specific terms of the offering of those Securities, including the name or names of any underwriters, dealers or agents, the purchase price of those Securities and the proceeds to us from the sale, any underwriting discounts, agency fees and other items constituting underwriters' or agents' compensation, any initial public offering price and any discounts or concessions allowed or reallocated or paid to dealers.

If we use underwriters to sell Securities, we will enter into an underwriting agreement with the underwriters. Those Securities will be acquired by the underwriters for their own account and may be resold from time to time in one or more transactions, at a fixed public offering price, at market prices prevailing at the time of sale, at prices related to such prevailing

market prices or at negotiated prices. The underwriter or underwriters with respect to a particular underwritten offering of Securities will be named in the prospectus supplement relating to that offering and, if an underwriting syndicate is used, the managing underwriter or underwriters will be set forth on the cover page of the prospectus supplement. Any underwriting compensation paid by us to the underwriters or agents in connection with an offering of Securities, and any discounts, concessions or commissions allowed by underwriters to dealers, will be set forth in the applicable prospectus supplement to the extent required by applicable law. Unless otherwise set forth in the prospectus supplement, the obligations of the underwriters to purchase the Securities will be subject to specific conditions, and the underwriters will be obligated to purchase all of the offered Securities if any are purchased.

If a dealer is used in the sale of any Securities, we will sell those Securities to the dealer, as principal. The dealer may then resell the Securities to the public at varying prices to be determined by the dealer at the time of resale. The name of any dealer involved in a particular offering of Securities and any discounts or concessions allowed or reallocated or paid to the dealer will be set forth in the prospectus supplement relating to that offering.

The Securities may be sold directly by us or through agents designated by us from time to time. We will describe the terms of any direct sales in a prospectus supplement. Any agent, who may be deemed to be an underwriter as that term is defined in the Securities Act, involved in the offer or sale of any of the Securities will be named, and any commissions payable by us to the agent will be set forth, in the prospectus supplement relating to that offer or sale. Unless otherwise indicated in the prospectus supplement, any agent will be acting on a reasonable best efforts basis for the period of its appointment.

In connection with a particular underwritten offering of Securities, and in compliance with applicable law, the underwriters may engage in transactions that stabilize, maintain or otherwise affect the prices of the classes or series of Securities offered, including stabilizing transactions and syndicate covering transactions. These activities may stabilize, maintain or otherwise affect the market price of the Securities, which may be higher than the price that might otherwise prevail in the open market, and if commenced, may be discontinued at any time. A description of these activities, if any, will be set forth in the prospectus supplement relating to that offering.

Underwriters, dealers or agents and their associates may be customers of, engage in transactions with or perform services for us and our affiliates in the ordinary course of business.

We will indicate in a prospectus supplement the extent to which we anticipate that a secondary market for the Securities will be available. Unless we inform you otherwise in a prospectus supplement, we do not intend to apply for the listing of any series of the Securities on a national securities exchange. If the Securities of any series are sold to or through underwriters, the underwriters may make a market in such Securities, as permitted by applicable laws and regulations. No underwriter would be obligated, however, to make a market in the Securities, and any market-making could be discontinued at any time at the sole discretion of the underwriters. Accordingly, we cannot assure you as to the liquidity of, or trading markets for, the Securities of any series.

Underwriters, dealers and agents participating in the distribution of the Securities may be deemed to be "underwriters" within the meaning of, and any discounts and commissions received by them and any profit realized by them on resale of those Securities may be deemed to be underwriting discounts and commissions under, the Securities Act. Subject to some conditions, we may agree to indemnify the several underwriters, dealers or agents and their controlling persons against specific civil liabilities, including liabilities under the Securities Act, or to contribute to payments that person may be required to make in respect thereof.

During such time as we may be engaged in a distribution of the securities covered by this prospectus we are required to comply with Regulation M promulgated under the Exchange Act. With certain exceptions, Regulation M precludes us, any affiliated purchasers and any broker-dealer or other person who participates in such distributing from bidding for or purchasing, or attempting to induce any person to bid for or purchase, any security which is the subject of the distribution until the entire distribution is complete. Regulation M also restricts bids or purchases made in order to stabilize the price of a security in connection with the distribution of that security. All of the foregoing may affect the marketability of our securities.

#### LEGAL MATTERS

The validity of the Securities will be passed upon for us by Perkins Coie LLP, counsel to the Company, 1120 N.W. Couch Street, Tenth Floor, Portland, Oregon 97209.

## EXPERTS

The consolidated financial statements incorporated in this Prospectus by reference from PacifiCorp's Annual Report on Form 10-K for the year ended December 31, 2012 have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report, which is incorporated herein by reference. Such consolidated financial statements have been so incorporated in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

With respect to the unaudited interim consolidated financial information for the periods ended March 31, 2013 and 2012, June 30, 2013 and 2012 and September 30, 2013 and 2012, which is incorporated herein by reference, Deloitte & Touche LLP, an independent registered public accounting firm, have applied limited procedures in accordance with the standards of the Public Company Accounting Oversight Board (United States) for a review of such information. However, as stated in their reports included in PacifiCorp's Quarterly Reports on Form 10-Q for the quarters ended March 31, 2013, June 30, 2013 and September 30, 2013 and incorporated by reference herein, they did not audit and they do not express an opinion on that interim consolidated financial information. Accordingly, the degree of reliance on their reports on such information should be restricted in light of the limited nature of the review procedures applied. Deloitte & Touche LLP are not subject to the liability provisions of Section 11 of the Securities Act for their reports on the unaudited interim consolidated financial information because those reports are not "reports" or a "part" of the Registration Statement prepared or certified by an accountant within the meaning of Sections 7 and 11 of the Securities Act.



## PART II

### INFORMATION NOT REQUIRED IN PROSPECTUS

#### ITEM 14. OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION.

Costs and expenses payable by us in connection with the issuance and distribution of the Securities being registered are set forth as follows:

Registration fee <sup>(1)</sup>	\$	*
Legal fees and expenses		*
Accounting fees and expenses		*
Trustee fees		*
Rating agency fees		*
Indenture recording fees		*
Printing and delivery of registration statement, prospectus, certificates, etc.		*
Miscellaneous expenses		*
Total	\$	*

(1) In accordance with Rules 456(b) and 457(r), the Registrant is deferring payment of the registration fee and will pay such fee on a pay-as-you-go basis.

\* To be provided in an amendment or filing, or exhibit thereto, with the SEC pursuant to the Exchange Act and incorporated herein by reference.

#### ITEM 15. INDEMNIFICATION OF DIRECTORS AND OFFICERS.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to the Company's directors and officers pursuant to the following provisions or otherwise, the Company has been advised that, although the validity and scope of the governing statute have not been tested in court, in the opinion of the SEC, such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In addition, indemnification may be limited by state securities laws.

The Company's Third Restated Articles of Incorporation ("Restated Articles"), and Bylaws, as amended ("Bylaws"), require the Company to indemnify directors and officers to the fullest extent not prohibited by law. The right to and amount of indemnification ultimately will be subject to determination by a court that indemnification in the circumstances presented is consistent with public policy considerations and other provisions of law. It is likely, however, that the Restated Articles would require indemnification at least to the extent that indemnification is authorized by the Oregon Business Corporation Act ("OBCA"). The effect of the OBCA is summarized as follows:

(a) The OBCA permits the Company to grant a right of indemnification in respect of any pending, threatened or completed action, suit or proceeding, other than an action by or in the right of the Company, against expenses (including attorneys' fees), judgments, penalties, fines and amounts paid in settlement actually and reasonably incurred, provided the person concerned acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the Company, and, with respect to any criminal action or proceeding, had no reasonable cause to believe the conduct was unlawful. Indemnification is not permitted in connection with a proceeding in which a person is adjudged liable on the basis that personal benefit was improperly received unless indemnification is permitted by a court upon a finding that the person is fairly and reasonably entitled to indemnification in view of all of the relevant circumstances. The termination of a proceeding by judgment, order, settlement, conviction or plea of nolo contendere or its equivalent is not, of itself, determinative that the person did not meet the prescribed standard of conduct.

(b) The OBCA permits the Company to grant a right of indemnification in respect of any proceeding by or in the right of the Company against the reasonable expenses (including attorneys' fees) incurred, if the person concerned acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Company, except that no indemnification may be granted if that person is adjudged to be liable to the Company unless permitted by a court.



(c) Under the OBCA, the Company may not indemnify a person in respect of a proceeding described in (a) or (b) above unless one of the following determines that indemnification is permissible because the person has met the prescribed standard of conduct:

- (1) the Board of Directors of the Company (the "Board"), by majority vote of a quorum consisting of directors not at the time parties to the proceeding;
- (2) if a quorum of directors not parties to the proceeding cannot be obtained, by a majority vote of a committee of two or more directors not at the time parties to the proceeding;
- (3) by special legal counsel selected by the Board or the committee thereof, as described in (1) and (2) above;
- (4) if special legal counsel cannot be selected as described in (3) above, then by special legal counsel selected by majority vote of the full Board, including directors who are parties to the proceeding; or
- (5) by the shareholders.

Authorization of the indemnification and evaluation as to the reasonableness of expenses are to be determined as specified in any one of (1) through (5) above, except that if the determination of that indemnification's permissibility is made by special legal counsel, then the determination of the reasonableness of those expenses is to be made by those entitled to select special legal counsel. Indemnification can also be ordered by a court if the court determines that indemnification is fair in view of all of the relevant circumstances. Notwithstanding the foregoing, every person who has been wholly successful, on the merits or otherwise, in defense of a proceeding described in (a) or (b) above is entitled to be indemnified as a matter of right against reasonable expenses incurred in connection with the proceeding.

(d) Under the OBCA, the Company may pay for or reimburse the reasonable expenses incurred in defending a proceeding in advance of the final disposition thereof if the director or officer receiving the advance furnishes (i) a written affirmation of the director's or officer's good faith belief that he or she has met the prescribed standard of conduct and (ii) a written undertaking to repay the advance if it is ultimately determined that that person did not meet the standard of conduct.

The rights of indemnification described above are not exclusive of any other rights of indemnification to which officers or directors may be entitled under any statute, agreement, vote of shareholders, action of directors or otherwise. Resolutions adopted by the Board require the Company to indemnify directors and officers of the Company to the fullest extent permitted by law and are intended to create an obligation to indemnify to the fullest extent a court may find to be consistent with public policy considerations.

In addition, under the form of underwriting agreement that the Company expects to enter into in connection with any issuance of the Securities, in certain circumstances, the underwriters will agree to indemnify the Company against certain liabilities, including liabilities under the Securities Act.

#### **ITEM 16. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES.**

(a) Exhibits

A list of exhibits included as part of this Registration Statement is set forth in an Exhibit Index, which immediately precedes the exhibits.

#### **ITEM 17. UNDERTAKINGS.**

(a) The undersigned registrant hereby undertakes:

- (1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:
  - (A) To include any prospectus required by section 10(a)(3) of the Securities Act;
  - (B) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total

dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the SEC pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement; and

- (C) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

PROVIDED, HOWEVER, that paragraphs (a)(1)(A), (a)(1)(B) and (a)(1)(C) do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed with or furnished to the SEC by the registrant pursuant to section 13 or section 15(d) of the Exchange Act that are incorporated by reference in the registration statement, or is contained in a form of prospectus filed pursuant to Rule 424(b) that is part of the registration statement.

- (2) That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.
- (3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

- (4) That, for the purpose of determining liability under the Securities Act to any purchaser:

- (A) Each prospectus filed by the registrant pursuant to Rule 424(b)(3) shall be deemed to be part of the registration statement as of the date the filed prospectus was deemed part of and included in the registration statement; and

- (B) Each prospectus required to be filed pursuant to Rule 424(b)(2), (b)(5), or (b)(7) as part of a registration statement in reliance on Rule 430B relating to an offering made pursuant to Rule 415(a)(1)(i), (vii), or (x) for the purpose of providing the information required by section 10(a) of the Securities Act shall be deemed to be part of and included in the registration statement as of the earlier of the date such form of prospectus is first used after effectiveness or the date of the first contract of sale of securities in the offering described in the prospectus. As provided in Rule 430B, for liability purposes of the issuer and any person that is at that date an underwriter, such date shall be deemed to be a new effective date of the registration statement relating to the securities in the registration statement to which that prospectus relates, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof. Provided, however, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such effective date, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such effective date.

- (5) That, for the purpose of determining liability of the registrant under the Securities Act to any purchaser in the initial distribution of the securities:

The undersigned registrant undertakes that in a primary offering of securities of the undersigned registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

- (i) Any preliminary prospectus or prospectus of an undersigned registrant relating to the offering required to be filed pursuant to Rule 424;
- (ii) Any free writing prospectus relating to the offering prepared by or on behalf of the undersigned registrant or used or referred to by the undersigned registrant;
- (iii) The portion of any other free writing prospectus relating to the offering containing material information about an undersigned registrant or its securities provided by or on behalf of an undersigned registrant; and
- (iv) Any other communication that is an offer in the offering made by the undersigned registrant to the purchaser.

(b) The undersigned registrant hereby undertakes that, for purposes of determining any liability under the Securities Act, each filing of the registrant's annual report pursuant to section 13(a) or section 15(d) of the Exchange Act (and, where applicable, each filing of an employee benefit plan's annual report pursuant to section 15(d) of the Exchange Act) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(c) Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the provisions described under Item 15, or otherwise, the registrant has been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

## SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused the registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Portland, State of Oregon, on November 12, 2013.

### PACIFICORP

By: /s/ Douglas K. Stuver  
Douglas K. Stuver  
Senior Vice President and Chief Financial Officer  
(principal financial and accounting officer)

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been duly signed by the following persons on November 12, 2013 in the capacities indicated.

Gregory E. Abel\*

Gregory E. Abel

Chairman of the Board of Directors and Chief  
Executive Officer (principal executive officer)

/s/ Douglas K. Stuver

Douglas K. Stuver

Senior Vice President and Chief Financial Officer  
(principal financial and accounting officer)

Douglas L. Anderson\*

Douglas L. Anderson

Director

Brent E. Gale\*

Brent E. Gale

Director

Patrick J. Goodman\*

Patrick J. Goodman

Director

Natalie L. Hocken\*

Natalie L. Hocken

Director

Micheal G. Dunn\*

Micheal G. Dunn

Director

Mark C. Moench\*

Mark C. Moench

Director

R. Patrick Reiten\*

R. Patrick Reiten

Director

A. Richard Walje\*

A. Richard Walje

Director

\* By: /s/ Douglas K. Stuver

Douglas K. Stuver

Attorney-in-Fact

## EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
1.1	Form of First Mortgage Bond Underwriting Agreement
4.1*	Mortgage and Deed of Trust dated as of January 9, 1989 between PacifiCorp and The Bank of New York Mellon Trust Company, N.A., as successor Trustee, incorporated by reference to Exhibit 4-E, Form 8-B, File No. 1-5152 as supplemented and modified by 26 Supplemental Indentures as follows:

<u>Exhibit No.</u>	<u>File Type</u>	<u>Period or File Date</u>	<u>File Number</u>
(4)(b)	SE	November 2, 1989	33-31861
(4)(a)	8-K	January 9, 1990	1-5152
4(a)	8-K	September 11, 1991	1-5152
4(a)	8-K	January 7, 1992	1-5152
4(a)	10-Q	Quarter ended March 31, 1992	1-5152
4(a)	10-Q	Quarter ended September 30, 1992	1-5152
4(a)	8-K	April 1, 1993	1-5152
4(a)	10-Q	Quarter ended September 30, 1993	1-5152
4(a)	10-Q	Quarter ended June 30, 1994	1-5152
4(b)	10-K	Year ended December 31, 1994	1-5152
4(b)	10-K	Year ended December 31, 1995	1-5152
4(b)	10-K	Year ended December 31, 1996	1-5152
4(b)	10-K	Year ended December 31, 1998	1-5152
99(a)	8-K	November 21, 2001	1-5152
4.1	10-Q	Quarter ended June 30, 2003	1-5152
99	8-K	September 8, 2003	1-5152
4	8-K	August 24, 2004	1-5152
4	8-K	June 13, 2005	1-5152
4.2	8-K	August 14, 2006	1-5152
4	8-K	March 14, 2007	1-5152
4.1	8-K	October 3, 2007	1-5152
4.1	8-K	July 17, 2008	1-5152
4.1	8-K	January 8, 2009	1-5152
4.1	8-K	May 12, 2011	1-5152
4.1	8-K	January 6, 2012	1-5152
4.1	8-K	June 6, 2013	1-5152

- 4.2 Form of Additional Bond
- 5.1 Opinion of Perkins Coie LLP
- 12.1 Statements of Computation of Ratio of Earnings to Fixed Charges
- 15.1 Awareness Letter of Deloitte & Touche LLP
- 23.1 Consent of Deloitte & Touche LLP
- 23.2 Consent of Perkins Coie LLP (included in Exhibit 5.1)
- 24.1 Power of Attorney
- 25.1 Statement of Eligibility under the Trust Indenture Act of 1939, as amended, of The Bank of New York Mellon Trust Company, N.A., as Trustee, under the Mortgage and Deed of Trust, dated as of January 9, 1989 between the Company and The Bank of New York Mellon Trust Company, N.A., as successor Trustee, as supplemented and modified, relating to Additional Bonds

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\* Incorporated herein by reference.



## PACIFICORP

\$[ ]  
**First Mortgage Bonds**  
 [ ]% Series Due [ ]

UNDERWRITING AGREEMENT

[ ]

[ ]

As Representatives (the "**Representatives**") of the several Underwriters listed  
 In Schedule A hereto

c/o [ ]

Ladies and Gentlemen:

1. *Introductory.* PacificCorp, an Oregon corporation (the "**Company**"), proposes, subject to the terms and conditions stated herein, to issue and sell to the several underwriters listed in Schedule A hereto (the "**Underwriters**") (i) U.S. \$[ ] principal amount of its First Mortgage Bonds, [ ]% Series due 20[ ] (the "**Offered Securities**") to be issued under that certain Mortgage and Deed of Trust, dated as of January 9, 1989, with The Bank of New York Mellon Trust Company, N.A., as successor trustee (the "**Trustee**"), as heretofore amended and supplemented by the supplemental indentures thereto and as further amended and supplemented by a supplemental indenture dated as of [ ] (collectively, the "**Mortgage**") pursuant to the registration statement on Form S-3 (File No. 333-[ ] ) filed on [ ], as amended to date (the "**Initial Registration Statement**"). The Mortgage has been qualified under the Trust Indenture Act of 1939, as amended (the "**Trust Indenture Act**"), and the rules and regulations of the Securities and Exchange Commission (the "**Commission**") under the Trust Indenture Act. The United States Securities Act of 1933, as amended, is herein referred to as the "**Securities Act**," and the rules and regulations of the Commission thereunder are herein referred to as the "**Rules and Regulations**."

The Company hereby agrees with the several Underwriters as follows:

2. *Representations and Warranties of the Company.* The Company represents and warrants to, and agrees with, the several Underwriters that:

(a) The Initial Registration Statement in respect of the Offered Securities has been filed with the Commission; the Initial Registration Statement and any post-effective amendments thereto prior to the date hereof, each in the form heretofore delivered or to be delivered to the Underwriters and, excluding exhibits to the Initial Registration Statement but including all documents incorporated by reference in the prospectus contained in such Initial Registration Statement, including any prospectus supplement relating to the Offered Securities that is filed with the Commission and deemed by virtue of Rule 430B under the Securities Act to be part of the Initial Registration Statement, became effective upon filing with the Commission; other than a registration statement, if any, increasing the size of the offering (a "**Rule 462 (b) Registration Statement**," together with the Initial Registration Statement, the "**Registration Statement**"), filed pursuant to Rule 462(b) under the Securities Act, which, if so filed, became effective upon filing, no other document with respect to the Initial Registration Statement or any document incorporated by reference therein has heretofore been filed or transmitted for filing with the Commission with respect to the offering contemplated by the Initial Registration Statement (other than documents filed after the filing date of the Initial Registration Statement under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), and prospectuses filed pursuant to Rule 424(b) of the Rules and Regulations, each in the form heretofore delivered to the Underwriters); and no stop order suspending the effectiveness of the Initial Registration Statement, any post-effective amendment thereto or the Rule 462(b) Registration Statement, if any, has been issued and no proceeding for that purpose has been initiated or threatened by the Commission.

(b) A preliminary prospectus relating to the Offered Securities has been prepared by the Company and a final prospectus relating to the Offered Securities will be prepared by the Company in accordance with Section 5(a) hereto. Such preliminary prospectus (including the documents incorporated by reference therein) is hereinafter referred to as the "**Preliminary Prospectus**;" such final prospectus relating to the Offered Securities to be filed with the Commission pursuant to Rule 424(b) under the Securities Act (including the documents incorporated by reference therein) is hereinafter referred to as the "**Prospectus**." The Preliminary Prospectus, as amended or supplemented as of the Applicable Time (as defined below), when considered together with the final term sheet filed pursuant to Section 5(a) hereof (the "**Disclosure Package**"), as of the Applicable Time did not include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. The Prospectus, as of its date and as of the Closing Date (as defined below), did not and will not include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; and each Issuer Free Writing Prospectus (as defined in Rule 433 under the Securities Act) listed on Schedule B(ii) hereto does not conflict with the information contained in the Registration Statement, the Preliminary Prospectus or the Prospectus and each such Issuer Free Writing Prospectus, as supplemented by and taken together with the Disclosure Package as of the Applicable Time, did not include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; *provided*, the preceding two sentences do not apply to statements in or omissions from the Preliminary Prospectus, the Disclosure Package, the Prospectus or any Issuer Free Writing Prospectus based upon written information furnished to the Company by the Underwriters specifically for use therein, it being understood and agreed that the only such information is that described as such in Section 7(b) hereof. For purposes of this Agreement, the "**Applicable Time**" is [ ] [a][p].m., New York City Time, on the date of this Agreement.

At the earliest time after the filing of the Initial Registration Statement that the Company or another offering participant made a *bona fide* offer (within the meaning of Rule 164(h)(2) under the Act) of the Offered Securities, the Company was not an "ineligible issuer" as defined in Rule 405 under the Securities Act.

(c) The Registration Statement and the Prospectus conform, and any further amendments or supplements to the Registration Statement or the Prospectus when made will conform, in all material respects to the requirements of the Securities Act and the Rules and Regulations and the Registration Statement conforms, and any further amendments or supplements to the Registration Statement when made will conform, in all material respects to the requirements of the Trust Indenture Act, and the rules and regulations of the Commission thereunder. The Registration Statement, as of the applicable effective date, and any amendments thereto as of the Closing Date did not and will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading, and the Prospectus, as of its date and as amended or supplemented as of the Closing Date, does not and will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(d) The Company has been duly incorporated and is validly existing as a corporation under the laws of the State of Oregon with corporate power and corporate authority (i) to own its properties and conduct its business as described in the Disclosure Package and the Prospectus and (ii) to execute and deliver, and perform its obligations under, this Agreement, the Mortgage and the Offered Securities; and the Company is duly qualified as a foreign corporation to transact business and is in good standing in each jurisdiction in which it owns or leases substantial properties or in which the conduct of its business requires such qualification, except where the failure to so qualify would not have a material adverse effect on the financial condition, business or results of operations of the Company and its subsidiaries taken as a whole (a "**Material Adverse Effect**").

(e) The Mortgage has been duly authorized, executed and delivered by the Company, and constitutes a valid and legally binding instrument of the Company enforceable against the Company in accordance with its terms, except as limited by bankruptcy, insolvency, fraudulent conveyance, reorganization and other similar laws relating to or affecting creditors' rights generally and general equitable principles (whether considered in a proceeding in equity or at law); and the Mortgage conforms to the description thereof in the Disclosure Package and the Prospectus.

(f) The Offered Securities have been duly authorized by the Company and, when authenticated and delivered in accordance with the Mortgage and paid for by the purchasers thereof, will constitute valid and legally binding obligations of the Company enforceable against the Company in accordance with their terms, except as limited by bankruptcy, insolvency, fraudulent conveyance, reorganization and other similar laws relating to or affecting creditors' rights generally and general equitable principles (whether considered in a proceeding in equity or at law), and will be

entitled to the benefit of the security afforded by the Mortgage; and the Offered Securities conform to the description thereof in the Disclosure Package and the Prospectus.

(g) No consent, approval, authorization or order of, or filing or registration by the Company with, any court, governmental agency or third party is required for the consummation of the transactions contemplated by this Agreement and the Mortgage in connection with the issuance and sale of the Offered Securities by the Company and the use of the proceeds of the offering of the Offered Securities as described in the Disclosure Package and the Prospectus, except such as have been obtained or made.

(h) This Agreement has been duly authorized, executed and delivered by the Company and is a valid and legally binding agreement of the Company enforceable against the Company in accordance with its terms, except as limited by bankruptcy, insolvency, fraudulent conveyance, reorganization and other similar laws relating to or affecting creditors' rights generally and general equitable principles (whether considered in a proceeding in equity or at law) and subject to any principles of public policy limiting the right to enforce the indemnification and contribution provisions contained herein.

(i) Except as disclosed in the Disclosure Package and the Prospectus, the Company has good and sufficient title to all the properties described as owned and good and sufficient leasehold interest in all of the properties described as leased by it (the "**Properties**"), subject to minor defects and irregularities customarily found in properties of like size and character that do not materially impair the use of the property affected thereby in the operation of the business of the Company.

(j) The Company is not (i) in violation of its Articles of Incorporation (the "**Articles**") or its Bylaws, as amended, (ii) in default in the performance or observance of any material obligation, covenant or condition contained in any contract, agreement or other instrument to which it is a party or by which it may be bound or (iii) in violation of any order, rule or regulation applicable to the Company of any court or any federal or state regulatory body or administrative agency or other governmental body, the effect of which, in the case of (ii) and (iii), would result in a Material Adverse Effect, and neither the execution and delivery of this Agreement, the Mortgage, or the Offered Securities, the consummation of the transactions herein or therein contemplated, the fulfillment of the terms hereof or thereof nor compliance with the terms and provisions hereof or thereof will conflict with, or result in a breach of, or constitute a default under (x) the Articles or such Bylaws, or any material contract, agreement or other instrument to which it is now a party or by which it may be bound or (y) any order, rule or regulation applicable to the Company of any court or any federal or state regulatory body or administrative agency or other governmental body having jurisdiction over the Company or over its properties, the effect of which, singly or in the aggregate, would have a Material Adverse Effect.

(k) Except as disclosed in the Disclosure Package and the Prospectus, there are no legal or governmental proceedings pending or to the Company's knowledge threatened against the Company or its subsidiaries that, if determined adversely to the Company or any subsidiary would be reasonably likely to have, individually or in the aggregate, a Material Adverse Effect or a material adverse effect on the ability of the Company to perform its obligations under this Agreement or the Mortgage.

(l) The consolidated financial statements included or incorporated by reference in the Disclosure Package and the Prospectus present fairly the financial condition and operations of the Company and its consolidated subsidiaries at the respective dates or for the respective periods to which they apply; such financial statements have been prepared in each case in accordance with generally accepted accounting principles consistently applied throughout the periods involved except as otherwise indicated in the Disclosure Package and the Prospectus; and Deloitte & Touche LLP, who has examined certain audited financial statements of the Company, is an independent registered public accounting firm as required by the Act and the Regulations thereunder.

(m) Except as reflected in, or contemplated by, the Disclosure Package and the Prospectus, since the respective most recent dates as of which information is given in the Disclosure Package and the Prospectus, there has not been any change in the capital stock or long-term debt of the Company (other than changes arising from transactions in the ordinary course of business), or any material adverse change in the business, affairs, business prospects, property or financial condition of the Company and its subsidiaries taken as a whole, whether or not arising in the ordinary course of business, and since such dates there has not been any material transaction entered into by the Company other than transactions contemplated by the Disclosure Package and the Prospectus, and transactions in the ordinary course of business; and the Company has no material contingent obligation that is not disclosed in the Disclosure Package and the Prospectus.

(n) The Company (i) makes and keeps books, records, and accounts, which, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company and its consolidated subsidiaries and (ii) maintains a system of internal accounting controls sufficient to provide reasonable assurances that (1) transactions are executed in accordance with management's general or specific authorization; (2) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles or any other criteria applicable to such statements and to maintain accountability for assets; (3) access to assets is permitted only in accordance with management's general or specific authorization; and (4) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

(o) There is and has been no failure on the part of the Company or, to the knowledge of the Company, any of the Company's directors or executive officers in their respective capacities as such, to comply in all material respects with the provisions of the Sarbanes-Oxley Act of 2002 and the rules and regulations promulgated in connection therewith.

(p) The Company (i) is in compliance with any and all applicable U.S. federal, state and local laws and regulations relating to the protection of human health, safety, and the environment or hazardous or toxic substances or wastes, pollutants or contaminants ("Environmental Laws") and (ii) has received and is in compliance with all permits, licenses or other approvals required of it under applicable Environmental Laws to conduct its respective businesses, except where such non-compliance with Environmental Laws, failure to receive required permits, licenses or other approvals, or liability either (x) would not be reasonably likely to have a Material Adverse Effect, or (y) is set forth in or contemplated in the Disclosure Package and the Prospectus (exclusive of any supplement thereto).

(q) The interactive data in eXtensible Business Reporting Language included or incorporated by reference in the Registration Statement fairly presents the information called for in all material respects and has been prepared in accordance with the Commission's rules and guidelines applicable thereto.

3. *Purchase, Sale and Delivery of Offered Securities.* On the basis of the representations, warranties and agreements herein contained, but subject to the terms and conditions herein set forth, the Company agrees to sell to the Underwriters, and the Underwriters agree, severally and not jointly, to purchase from the Company at a purchase price of [ ]% of the principal amount thereof plus accrued interest, if any, from [ ] to the Closing Date (as hereinafter defined), the respective principal amounts of the Offered Securities set forth opposite the names of the several Underwriters in Schedule A hereto.

The Company will deliver against payment of the purchase price for the Offered Securities to be purchased by each Underwriter hereunder and to be offered and sold by such Underwriter in the form of one or more global securities in registered form without interest coupons (the "**Global Securities**") deposited with the Trustee as custodian for The Depository Trust Company ("**DTC**") and registered in the name of Cede & Co., as nominee for DTC. Interests in the Global Securities will be held only in book-entry form through DTC, except in the limited circumstances described in the Disclosure Package and the Prospectus.

Payment for the Offered Securities shall be made by the Underwriters in Federal (same day) funds by wire transfer to an account at a bank acceptable to the Underwriters drawn to the order of the Company at 10:00 A.M., (New York time), on [ ], or at such other time not later than seven full business days thereafter as the Underwriters and the Company determine, such time being herein referred to as the "**Closing Date**," against delivery to the Trustee as custodian for DTC of the Global Securities. The Global Securities will be made available for checking at the office of Latham & Watkins LLP, 885 Third Avenue, New York, NY 10022, at least 24 hours prior to the Closing Date.

4. *Representations by Underwriters; Resale by Underwriters.* Each of the Underwriters severally represents and agrees that:

(a) (i) It has only communicated or caused to be communicated (and will only communicate or cause to be communicated) an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act of 2000 (the "**FSMA**")) received by it in connection with the issue or sale of the Offered Securities in circumstances in which Section 21(1) of the FSMA does not apply to the Company; and (ii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Offered Securities in, from or otherwise involving the United Kingdom.

(b) In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**"), it has not made and will not make an offer of the Offered Securities to the public in that Relevant Member State, other than: (i) to any legal entity which is a qualified investor as defined in the Prospectus Directive; (ii) to fewer than 100 or, if the Relevant Member



State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Company for any such offer; or (iii) in any other circumstances falling within Article 3(2) of the Prospectus Directive; *provided* that no such offer of the Offered Securities shall require the Company or any Underwriter to publish a prospectus pursuant to Article 3 of the Prospectus Directive. For the purposes of this provision, the expression an "offer of the Offered Securities to the public" in relation to the Offered Securities in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Offered Securities to be offered so as to enable an investor to decide to purchase or subscribe the Offered Securities, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression Prospectus Directive means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State) and includes any relevant implementing measure in each Relevant Member State and the expression "2010 PD Amending directive" means Directive 2010/73/EU.

(c) Without the prior consent of the Company and the Representatives, other than one or more term sheets relating to the Offered Securities containing customary information, it has not made and will not make any offer relating to the Offered Securities that would constitute an issuer free writing prospectus or a free writing prospectus required to be filed with the Commission; and any such free writing prospectus the use of which has been consented to by the Company and the Representatives (including the final term sheet prepared and filed pursuant to Section 5(a) hereof) is listed on Schedule B hereto.

5. *Certain Agreements of the Company.* The Company agrees with the several Underwriters that:

(a) It will prepare the Prospectus in a form approved by you and to file such Prospectus pursuant to Rule 424(b) under the Securities Act not later than the Commission's close of business on the second business day following the date of this Agreement; to make no further amendment or any supplement to the Registration Statement, or the Prospectus prior to the Closing Date that shall be reasonably disapproved by you promptly after reasonable notice thereof; to advise you, promptly after it receives notice thereof, of the time when any amendment to the Registration Statement has been filed or becomes effective or any amendment or supplement to the Prospectus has been filed and to furnish you with copies thereof; to prepare a final term sheet, containing solely a description of the Offered Securities, in a form approved by you and to file such term sheet pursuant to Rule 433(d) under the Securities Act within the time required by such Rule; to file promptly all other material required to be filed by the Company with the Commission pursuant to Rule 433(d) under the Securities Act; to file promptly all reports and any definitive proxy or information statements required to be filed by the Company with the Commission pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act subsequent to the date of the Prospectus and for so long as the delivery of a prospectus (or in lieu thereof, the notice referred to in Rule 173(a) under the Act) is required in connection with the offering or sale of the Offered Securities; to advise you, promptly after it receives notice thereof, of the issuance by the Commission of any stop order or of any order preventing or suspending the use of any Preliminary Prospectus or other prospectus in respect of the Offered Securities, of the suspension of the qualification of the Offered Securities for offering or sale in any jurisdiction, of the initiation or threatening of any proceeding for any such purpose, or of any request by the Commission for the amending or supplementing of the Registration Statement or the Prospectus or for additional information; and, in the event of the issuance of any stop order or of any order preventing or suspending the use of any Preliminary Prospectus or other prospectus or suspending any such qualification, to promptly use its best efforts to obtain the withdrawal of such order; and in the event of any such issuance of a notice of objection, promptly to take such steps including, without limitation, amending the Registration Statement or filing a new registration statement, at its own expense, as may be necessary to permit offers and sales of the Offered Securities by the Underwriters (references herein to the Registration Statement shall include any such amendment or new registration statement).

(b) Prior to 10:00 A.M., New York City time, on the New York Business Day next succeeding the date of this Agreement and from time to time, to furnish the Underwriters with written and electronic copies of the Prospectus in New York City in such quantities as you may reasonably request, and, if the delivery of a prospectus (or in lieu thereof, the notice referred to in Rule 173(a) under the Securities Act) is required at any time prior to the expiration of nine months after the time of issue of the Prospectus in connection with the offering or sale of the Offered Securities and if at such time any event shall have occurred as a result of which the Prospectus as then amended or supplemented would include an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made when such Prospectus (or in lieu thereof, the notice referred to in Rule 173(a) under the Securities Act) is delivered, not misleading, or, if for any other reason it shall be necessary during such same period to amend or supplement the Prospectus or to file under the Exchange Act any document incorporated by reference in the Prospectus in order to comply with the Securities Act, the Exchange Act or the Trust



Indenture Act, to notify you and upon your request to file such document and to prepare and furnish without charge to each Underwriter and to any dealer in securities as many written and electronic copies as you may from time to time reasonably request of an amended Prospectus or a supplement to the Prospectus that will correct such statement or omission or effect such compliance; and in case any Underwriter is required under the Securities Act to deliver a prospectus (or in lieu thereof, the notice referred to in Rule 173(a) under the Securities Act) in connection with sales of any of the Offered Securities at any time nine months or more after the time of issue of the Prospectus, upon your request but at the expense of such Underwriter, to prepare and deliver to such Underwriter as many written and electronic copies as you may request of an amended or supplemented Prospectus complying with Section 10(a)(3) of the Securities Act.

(c) To make generally available to its securityholders as soon as practicable, but in any event not later than 16 months after the effective date of the Registration Statement (as defined in Rule 158(c) under the Act), an earnings statement of the Company and its subsidiaries (which need not be audited) complying with Section 11(a) of the Securities Act and the Rules and Regulations thereunder (including, at the option of the Company, Rule 158).

(d) The Company will arrange for the qualification of the Offered Securities for sale and the determination of their eligibility for investment under the laws of such jurisdictions in the United States and Canada as the Underwriters designate and will continue such qualifications in effect so long as required for the resale of the Offered Securities by the Underwriters, provided that the Company will not be required to qualify as a foreign corporation, to file a general consent to service of process in any such jurisdiction or to take any other action that would subject the Company to service of process in any suits (other than those arising out of the offering of the Offered Securities) or to taxation in respect of doing business in any jurisdiction in which it is not otherwise subject.

(e) The Company will pay all expenses incident to the performance of its obligations under this Agreement and the Mortgage, for any filing fees and other expenses (including fees and disbursements of counsel) incurred in connection with qualification of the Offered Securities for sale and determination of their eligibility for investment under the laws of such jurisdictions as the Underwriters designate and the printing of memoranda relating thereto, for the fees and expenses of the Trustee and its professional advisors, for all expenses in connection with the execution, issue, authentication, packaging and initial delivery of the Offered Securities, the preparation and printing of this Agreement, the Offered Securities, the Disclosure Package and the Prospectus, any Issuer Free Writing Prospectus, and amendments and supplements thereto, and any other document relating to the issuance, offer, sale and delivery of the Offered Securities, for the cost of any advertising approved by the Company in connection with the issue of the Offered Securities, for any fees charged by investment rating agencies for the rating of the Offered Securities, for any travel expenses of the Company's officers and employees, and any other expenses of the Company in connection with attending or hosting meetings with prospective purchasers of the Offered Securities and for expenses incurred in distributing the Disclosure Package, the Prospectus or any Issuer Free Writing Prospectus (including any amendments and supplements thereto) to the Underwriters. Except as otherwise provided in this Section 5(e) or in Section 9 of this Agreement, the Underwriters will pay all of their costs and expenses, including fees and expenses of their counsel, transfer taxes on the resale of the Offered Securities and any advertising and travel expenses incurred by them.

(f) In connection with the offering, until the earlier of (i) 180 days following the Closing Date and (ii) the date the Underwriters shall have notified the Company of the completion of the resale of the Offered Securities, neither the Company nor any of its affiliates has or will, either alone or with one or more other persons, bid for or purchase for any account in which it or any of its affiliates has a beneficial interest any Offered Securities or attempt to induce any person to purchase any Offered Securities; and neither it nor any of its affiliates will make bids or purchases for the purpose of creating actual, or apparent, active trading in, or of raising the price of, the Offered Securities.

(g) From the date hereof through and including the Closing Date, the Company will not, without the prior written consent of the Representatives, offer, sell, contract to sell, pledge or otherwise dispose of, directly or indirectly, or file with the Commission a registration statement under the Securities Act relating to, any United States dollar-denominated debt securities issued or guaranteed by the Company and having a maturity of more than one year from the date of issue.

(h) If the Company elects to rely upon Rule 462(b), the Company shall file a Rule 462(b) Registration Statement with the Commission in compliance with Rule 462(b) by 10:00 P.M., Washington, D.C. time, on the date of this Agreement, and the Company shall at the time of filing either pay to the Commission the filing fee for the Rule 462(b) Registration Statement or give irrevocable instructions for the payment of such fee pursuant to Rule 111(b) under the Act.

(i) The Company (i) represents and agrees that, other than the final term sheet prepared and filed pursuant to Section 5(a) hereof, without the prior consent of the Representatives, it has not made and will not make any offer relating to the Offered Securities that would constitute a "free writing prospectus" as defined in Rule 405 under the Act and (ii) has complied and will comply with the requirements of Rule 433 under the Act applicable to any Issuer Free Writing Prospectus, including timely filing with the Commission or retention where required and legending.

6. *Conditions of the Obligations of the Underwriters.* The obligations of the several Underwriters to purchase and pay for the Offered Securities will be subject to the accuracy of the representations and warranties on the part of the Company herein, to the accuracy of the statements of officers of the Company made pursuant to the provisions hereof, to the performance by the Company of its obligations hereunder and to the following additional conditions precedent:

(a) The Prospectus as amended or supplemented in relation to the applicable Offered Securities shall have been filed with the Commission pursuant to Rule 424(b) within the applicable time period prescribed for such filing (without reliance on Rule 424(b)(8)) by the Rules and Regulations and in accordance with Section 5(a) hereof; if the Company has elected to rely upon Rule 462(b), the Rule 462(b) Registration Statement shall have become effective by 10:00 P.M., Washington, D.C. time, on the date hereof; no stop order suspending the effectiveness of the Registration Statement or any part thereof shall have been issued and no proceeding for that purpose shall have been initiated or to the knowledge of the Company threatened by the Commission; and all requests for additional information on the part of the Commission shall have been complied with.

(b) (i) On the date hereof, Deloitte & Touche LLP shall have furnished to the Underwriters a letter, dated as of the date hereof, in form and substance satisfactory to the Underwriters, confirming that they are an independent registered public accounting firm with respect to the Company and its subsidiaries within the meaning of the Securities Act, the Exchange Act and the applicable published Rules and Regulations and stating that as of the Applicable Time (or, with respect to matters involving changes or developments since the respective dates as of which specified financial information is given in the Preliminary Prospectus as of a particular time not more than five business days prior to the Applicable Time) conclusions and findings of such firm, to the effect that:

(A) in their opinion the financial statements examined by them and incorporated by reference in the Preliminary Prospectus comply as to form in all material respects with the applicable accounting requirements of the Securities Act, the Exchange Act and the related published Rules and Regulations;

(B) on the basis of a reading of the latest available interim financial statements of the Company, inquiries of officials of the Company who have responsibility for financial and accounting matters and other specified procedures, nothing came to their attention that caused them to believe that:

(1) at the date of the latest available balance sheet read by such accountants, or at a subsequent specified date not more than one business day prior to the date of this Agreement, there was any change in the capital stock or any increase in short-term indebtedness or long-term debt of the Company and its consolidated subsidiaries or, at the date of the latest available balance sheet read by such accountants, there was any decrease in total shareholders' equity or total consolidated net current assets, as compared with amounts shown on the latest balance sheet incorporated by reference in the Preliminary Prospectus;

(2) for the period from the closing date of the latest statement of income incorporated by reference in the Preliminary Prospectus to the closing date of the latest statement of income read by such accountants, there were any decreases, as compared with the corresponding period of the previous year, in consolidated revenue or net income;

(3) at [ ], there was any change in the capital stock, any increases in short-term indebtedness or long-term debt, or any decreases in net current assets or total shareholder's equity, of the Company and its consolidated subsidiaries, in each case as compared with amounts shown on the latest balance sheet incorporated by reference in the Preliminary Prospectus; or

(4) for the period from [ ] to [ ], there were any decreases, as compared with the corresponding period in the preceding year, in consolidated revenue or net income; and

(C) they have compared specified dollar amounts (or percentages derived from such dollar amounts) and other financial information contained in the Preliminary Prospectus (in each case to the extent that such dollar amounts, percentages and other financial information are derived from the general

accounting records of the Company and its subsidiaries subject to the internal controls of the Company's accounting system or are derived directly from such records by analysis or computation) with the results obtained from inquiries, a reading of such general accounting records and other procedures specified in such letter and have found such dollar amounts, percentages and other financial information to be in agreement with such results, except as otherwise specified in such letter.

(ii) The Underwriters shall have received a letter, dated the Closing Date, of Deloitte & Touche LLP which meets the requirements of subsection (b)(i) of this Section, except that (A) the specified date referred to in such subsection will be a date not more than one business day prior to the Closing Date for the purposes of this subsection, and (B) references to the Preliminary Prospectus will be replaced with references to the Prospectus.

(c) Subsequent to the Applicable Time, there shall not have been (i) any change, or any development or event involving a prospective change, in the financial condition, business, properties or results of operations of the Company and its subsidiaries taken as a whole, which, in the judgment of the Representatives, is material and adverse and makes it impractical or inadvisable to proceed with completion of the offering or the sale of and payment for the Offered Securities; (ii) any downgrading in the rating of any debt securities or preferred stock of the Company by any "nationally recognized statistical rating organization" (as such term is defined in Section 3 of the Exchange Act), or any public announcement that any such organization has under surveillance or review its rating of any debt securities or preferred stock of the Company (other than an announcement with positive implications of a possible upgrading, and no implication of a possible downgrading, of such rating); (iii) any material suspension or material limitation of trading in securities generally on the New York Stock Exchange, or any setting of minimum prices for trading on such exchange; (iv) any suspension of trading of any securities of the Company on any exchange or in the over-the-counter market; (v) any banking moratorium declared by U.S. Federal or New York authorities; (vi) any material disruption in settlements of securities or clearance services in the United States; or (vii) any attack on, or outbreak or escalation of hostilities or act of terrorism involving, the United States, any declaration of war by Congress or any other substantial national or international calamity or emergency if, in the judgment of the Representatives, the effect of any such attack, outbreak, escalation, act, declaration, calamity or emergency makes it impractical or inadvisable to proceed with completion of the offering or sale of and payment for the Offered Securities.

(d) The Underwriters shall have received an opinion, dated the Closing Date, of [ ], General Counsel of the Company, substantially in the form of Exhibit A hereto.

(e) The Underwriters shall have received an opinion, dated the Closing Date, of Perkins Coie LLP, special counsel to the Company, in substantially the form of Exhibit B hereto.

(f) The Underwriters shall have received from Latham & Watkins LLP, counsel for the Underwriters, such opinion or opinions, dated the Closing Date, in form and substance satisfactory to the Underwriters, and the Company shall have furnished to such counsel such documents as they request for the purpose of enabling them to pass upon such matters. In rendering such opinion, Latham & Watkins LLP may rely as to the incorporation of the Company and all other matters governed by Oregon law upon the opinion of Perkins Coie LLP referred to above.

(g) The Underwriters shall have received a certificate, dated the Closing Date, of the President or any Vice President and a principal financial or accounting officer of the Company in which such officers, to the best of their knowledge after reasonable investigation, shall state that: (i) the representations and warranties of the Company in this Agreement are true and correct, or true and correct in all material respects where such representations and warranties are not qualified by materiality or Material Adverse Effect; (ii) that the Company has complied with all agreements and satisfied all conditions on its part to be performed or satisfied hereunder at or prior to the Closing Date; and (iii) that, subsequent to the date of the most recent financial statements in, or incorporated by reference in, the Preliminary Prospectus, there has been no material adverse change, nor any development or event involving a prospective material adverse change, in the financial condition, business or results of operations of the Company and its subsidiaries taken as a whole except as set forth in the Disclosure Package and the Prospectus or as described in such certificate.

The Company will (i) furnish the Underwriters with such conformed copies of such opinions, certificates, letters and documents as the Underwriters reasonably request. The Underwriters may waive compliance with any conditions to their obligations hereunder.

7. *Indemnification and Contribution.* (a) The Company will indemnify and hold harmless each Underwriter, its partners, members, directors and officers and each person, if any, who controls such Underwriter within the meaning of Section 15 of the Securities Act, against any losses, claims, damages or liabilities, joint or several, to which such Underwriter may become subject, under the Securities Act or the Exchange Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions

in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in the Registration Statement, the Preliminary Prospectus, the Disclosure Package, the Prospectus or any Issuer Free Writing Prospectus, or any amendment or supplement to the Registration Statement, the Prospectus or any Issuer Free Writing Prospectus, or any "issuer information" filed or required to be filed pursuant to Rule 433(d) under the Act, arise out of or are based upon the omission or alleged omission to state therein a material fact necessary in order to make the statements therein made, in light of the circumstances under which they were made (in the case of the Registration Statement, necessary in order to make the statements therein not misleading), not misleading, including any losses, claims, damages or liabilities arising out of or based upon the Company's failure to perform its obligations under Section 5(a) of this Agreement, and will reimburse each Underwriter for any legal or other expenses reasonably incurred by such Underwriter in connection with investigating or defending any such loss, claim, damage, liability or action as such expenses are incurred; *provided, however*, that the Company will not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement in or omission or alleged omission from any of such documents in reliance upon and in conformity with written information furnished to the Company by the Representatives on behalf of the Underwriters specifically for use therein, it being understood and agreed that the only such information consists of the information described as such in subsection (b) below; *provided, further*, that the foregoing indemnity with respect to any Preliminary Prospectus shall not inure to the benefit of any Underwriter from whom the person asserting any such losses, claims, damages or liabilities (or actions in respect thereof), in connection with clauses (i) through (iii) below, purchased Offered Securities, or any person controlling such Underwriter, where it shall have been determined by a court of competent jurisdiction by final and non-appealable judgment that (i) prior to the Applicable Time the Company has notified such Underwriter that the Preliminary Prospectus, dated [ ], contains an untrue statement of material fact or omits to state therein a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, (ii) such untrue statement or omission of a material fact was corrected in an amended or supplemented Preliminary Prospectus and such corrected Preliminary Prospectus was provided to such Underwriter sufficiently in advance of the Applicable Time so that such corrected Preliminary Prospectus could have been conveyed to such person prior to the Applicable Time and (iii) such corrected Preliminary Prospectus was not conveyed to such person at or prior to the Applicable Time to such person.

(b) Each Underwriter will severally and not jointly indemnify and hold harmless the Company, its directors and officers and each person, if any, who controls the Company within the meaning of Section 15 of the Securities Act, against any losses, claims, damages or liabilities to which the Company may become subject, under the Securities Act or the Exchange Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in the Registration Statement, the Preliminary Prospectus, the Disclosure Package, the Prospectus or any Issuer Free Writing Prospectus, or any amendment or supplement to the Registration Statement, the Prospectus or any Issuer Free Writing Prospectus or arise out of or are based upon the omission or the alleged omission to state therein a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made (in the case of the Registration Statement, necessary in order to make the statements therein not misleading), not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in reliance upon and in conformity with written information furnished to the Company by the Representatives on behalf of the Underwriters specifically for use therein, and will reimburse any legal or other expenses reasonably incurred by the Company in connection with investigating or defending any such loss, claim, damage, liability or action as such expenses are incurred, it being understood and agreed that the only such information furnished by any Underwriter consists of the following information in the Preliminary Prospectus and Prospectus furnished on behalf of each Underwriter: under the caption "Underwriting," paragraphs 3, 4 (second sentence only), 5 and 6; *provided, however*, that the Underwriters shall not be liable for any losses, claims, damages or liabilities arising out of or based upon the Company's failure to perform its obligations under Section 5(a) of this Agreement.

(c) Promptly after receipt by an indemnified party under this Section of notice of the commencement of any action, such indemnified party will, if a claim in respect thereof is to be made against the indemnifying party under subsection (a) or (b) above, notify the indemnifying party of the commencement thereof; but the omission so to notify the indemnifying party will not relieve it from any liability which it may have to any indemnified party under subsection (a) or (b) above except to the extent that it has been materially prejudiced (through forfeiture or impairment of procedural or substantive rights or defenses) by such failure; and provided further that the failure to notify the indemnifying party shall not relieve it from any liability that it may have to an indemnified party otherwise than under subsection (a) or (b) above. In case any such action is brought against any indemnified party and it notifies the indemnifying party of the commencement thereof, the indemnifying party will be entitled to participate therein and, to the extent that it may wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with counsel reasonably satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party), and after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party will not be liable to such indemnified party under this Section for any legal or other expenses subsequently incurred by such indemnified party in connection with the defense thereof other than reasonable costs of investigation; *provided, however*, that the indemnified party shall have the right to employ counsel



to represent the indemnified party and their respective controlling persons who may be subject to liability arising out of any claim in respect of which indemnity may be sought by the indemnified party against the indemnifying party under this Section 7 if the employment of such counsel shall have been authorized in writing by the indemnifying party in connection with the defense of such action, if in the written opinion of counsel to either the indemnifying party or the indemnified party, representation of both parties by the same counsel would be inappropriate due to actual or likely conflicts of interest between them or the indemnifying party shall have failed to employ counsel within a reasonable period of time, and in that event the fees and expenses of one firm of separate counsel (in addition to the fees and expenses of one local counsel in each applicable jurisdiction) shall be paid by the indemnifying party. No indemnifying party shall, without the prior written consent of the indemnified party (which consent shall not be unreasonably withheld), effect any settlement of any pending or threatened action in respect of which any indemnified party is or could have been a party and indemnity could have been sought hereunder by such indemnified party unless such settlement (i) includes an unconditional release of such indemnified party from all liability on any claims that are the subject matter of such action and (ii) does not include a statement as to or an admission of fault, culpability or failure to act by or on behalf of any indemnified party.

(d) If the indemnification provided for in this Section is unavailable or insufficient to hold harmless an indemnified party under subsection (a) or (b) above, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of the losses, claims, damages or liabilities referred to in subsection (a) or (b) above (i) in such proportion as is appropriate to reflect the relative benefits received by the Company on the one hand and the Underwriters on the other from the offering of the Offered Securities or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Company on the one hand and the Underwriters on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities as well as any other relevant equitable considerations. The relative benefits received by the Company on the one hand and the Underwriters on the other shall be deemed to be in the same proportion as the total net proceeds (before deducting expenses) from the offering of the Offered Securities received by the Company bear to the total discounts and commissions received by the Underwriters with respect to the Offered Securities from the Company under this Agreement. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company or the Underwriters and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such untrue statement or omission. The amount paid by an indemnified party as a result of the losses, claims, damages or liabilities referred to in the first sentence of this subsection (d) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any action or claim which is the subject of this subsection (d). Notwithstanding the provisions of this subsection (d), no Underwriter shall be required to contribute any amount in excess of the amount by which the total price at which the Offered Securities purchased by it were resold exceeds the amount of any damages which such Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Underwriters' obligations in this subsection (d) to contribute are several in proportion to their respective purchase obligations and not joint.

(e) The obligations of the Company under this Section shall be in addition to any liability which the Company may otherwise have and shall extend, upon the same terms and conditions, to each person, if any, who controls any Underwriter within the meaning of the Securities Act or the Exchange Act; and the obligations of the Underwriters under this Section shall be in addition to any liability which the respective Underwriters may otherwise have and shall extend, upon the same terms and conditions, to each person, if any, who controls the Company within the meaning of the Securities Act or the Exchange Act.

8. *Default of Underwriters.* If any Underwriter or Underwriters defaults in its or their obligations to purchase the Offered Securities hereunder and the aggregate principal amount of the Offered Securities that such defaulting Underwriter or Underwriters agreed but failed to purchase does not exceed 10% of the total principal amount of the Offered Securities, the non-defaulting Underwriters may make arrangements satisfactory to the Company for the purchase of such Offered Securities by other persons, including themselves, but if no such arrangements are made by the Closing Date, the non-defaulting Underwriters shall be obligated severally, in proportion to their respective commitments hereunder, to purchase the Offered Securities that such defaulting Underwriter or Underwriters agreed but failed to purchase. If any Underwriter or Underwriters so defaults and the aggregate principal amount of the Offered Securities with respect to which such default or defaults occur exceeds 10% of the total principal amount of the Offered Securities and arrangements satisfactory to the non-defaulting Underwriters and the Company for the purchase of such Offered Securities by other persons are not made within 36 hours after such default, this Agreement will terminate without liability on the part of the non-defaulting Underwriters or the Company, except as provided in Section 9. As used in this Agreement, the term "Underwriter" includes any person substituted for an Underwriter under this Section. Nothing herein, including the Company's obligations pursuant to Section 9 hereof, will relieve a defaulting Underwriter from liability for its default.



9. *Survival of Certain Representations and Obligations.* The respective indemnities, agreements, representations, warranties and other statements of the Company or its officers and of the several Underwriters set forth in or made pursuant to this Agreement will remain in full force and effect, regardless of any investigation, or statement as to the results thereof, made by or on behalf of any Underwriter, the Company or any of their respective representatives, officers or directors or any controlling person, and will survive delivery of and payment for the Offered Securities. If this Agreement is terminated pursuant to Section 8 or if for any reason the purchase of the Offered Securities by the Underwriters is not consummated other than such default by an Underwriter, the Company shall remain responsible for the expenses to be paid or reimbursed by it pursuant to Section 5 and the respective obligations of the Company and the Underwriters pursuant to Section 7 shall remain in effect. If the purchase of the Offered Securities by the Underwriters is not consummated for any reason other than solely because of the termination of this Agreement pursuant to Section 8 or the occurrence of any event specified in clause (iii), (v), (vi) or (vii) of Section 6(c), the Company will reimburse the Underwriters for all out-of-pocket expenses (including fees and disbursements of counsel) reasonably incurred by them in connection with the offering of the Offered Securities, provided that the Company shall not be obligated under this Section 9 to reimburse the Underwriters for any expenses (including any reasonable fees and disbursements of counsel) in excess of \$[ ].

10. *No Fiduciary Duty.* The Company acknowledges and agrees that in connection with this offering or any other services the Underwriters may be deemed to be providing hereunder, notwithstanding any preexisting relationship, advisory or otherwise, between the parties or any oral representations or assurances previously or subsequently made by the Underwriters: (i) no fiduciary or agency relationship between the Company and any other person, on the one hand, and the Underwriters, on the other, exists in connection with the offering of the Offered Securities; (ii) the Underwriters are not acting as advisors, expert or otherwise, to the Company in connection with the offering of the Offered Securities and such relationship between the Company, on the one hand, and the Underwriters, on the other, is entirely and solely commercial, based on arms-length negotiations; (iii) any duties and obligations that the Underwriters may have to the Company in connection with the offering of the Offered Securities shall be limited to those duties and obligations specifically stated herein; and (iv) the Underwriters and their respective affiliates may have interests that differ from those of the Company. Any review by the Underwriters of the Company, the transactions contemplated hereby or other matters related to such transactions will be performed solely for the benefit of the Underwriters and not on behalf of the Company. The Company hereby waives any claims that the Company may have against the Underwriters with respect to any breach of fiduciary duty in connection with this offering.

11. *Notices.* All communications hereunder will be in writing and, if sent to the Underwriters, will be mailed, delivered or faxed and confirmed to each of (i) [ ] and (ii) [ ] or, if sent to the Company, will be mailed, delivered or telegraphed and confirmed to it at PacifiCorp, 825 NE Multnomah, 6th Floor, Portland, OR 97232, Attention: Legal Department; provided, however, that any notice to a particular Underwriter pursuant to Section 7 will be mailed, delivered or faxed and confirmed to such Underwriter.

12. *Successors.* This Agreement will inure to the benefit of and be binding upon the parties hereto and their respective successors and the controlling persons referred to in Section 7, and no other person will have any right or obligation hereunder.

13. *Counterparts.* This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same Agreement.

14. *Applicable Law.* This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York without regard to principles of conflicts of laws.

The Company hereby submits to the exclusive jurisdiction of the Federal and state courts in the Borough of Manhattan in The City of New York in any suit or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby.

[Signatures follow]

If the foregoing is in accordance with the Underwriters' understanding of our agreement, kindly sign and return to us one of the counterparts hereof, whereupon it will become a binding agreement between the Company and the several Underwriters in accordance with its terms.

Very truly yours,

PacifiCorp

By: \_\_\_\_\_  
Name:  
Title:

The foregoing Underwriting Agreement  
is hereby confirmed and accepted  
as of the date first above written.

[ ]

By: \_\_\_\_\_  
Name:  
Title:

[ ]

By: \_\_\_\_\_  
Name:  
Title:

On behalf of themselves and as Representatives of the several Underwriters

*(Underwriting Agreement)*

SCHEDULE A

Underwriter

Principal Amount of  
Bonds

\$

\$

\$

\$

\$

Total .....

**SCHEDULE B(i)**

Issuer Free Writing Prospectuses

See Schedule B(ii)

**SCHEDULE B(ii)**

**Filed pursuant to Rule 433(d)**  
**Registration No. 333-[ ]**  
**Dated [ ]**

**FINAL TERM SHEET**

Issuer: PacifiCorp

Security Type: First Mortgage Bonds due 20[ ]

Legal Format: SEC Registered

Principal Amount: \$

Coupon:

Interest Payment Dates:

Trade Date:

Settlement Date:

Maturity:

Treasury Benchmark:

US Treasury Spot:

US Treasury Yield:

Spread to Treasury:

Re-offer Yield:

Price to Public (Issue Price):

Optional Redemption:

Denominations: \$2,000 and any integral multiples of \$1,000 in excess thereof

Joint Book-Running Managers:

Co-Managers:

CUSIP / ISIN:

The issuer has filed a registration statement (including a prospectus) with the U.S. Securities and Exchange Commission (SEC) for the offering to which this communication relates. Before you invest, you should read the prospectus in that registration statement and other documents the issuer has filed with the SEC for more complete information about the issuer and this offering. You may get these documents for free by visiting EDGAR on the SEC Web site at [www.sec.gov](http://www.sec.gov). Alternatively, the issuer, any underwriter or any dealer participating in the offering will arrange to send you the prospectus if you request it by calling [ ] or [ ].



## EXHIBIT A

### Form of Opinion of [ ], General Counsel of the Company

1. To my knowledge and except for the matters disclosed in the Disclosure Package, there is no legal or governmental action, suit or proceeding before any court, governmental agency, body or authority, domestic or foreign, now pending or threatened against or involving the Company or any subsidiary of the Company that, if determined adversely to the Company and its subsidiaries, taken as a whole, is reasonably likely to have, individually or in the aggregate, a material adverse effect on the business, affairs, property or financial condition of the Company and its subsidiaries taken as a whole or a material adverse effect on the ability of the Company to perform its obligations under the Underwriting Agreement, the Mortgage or the Bonds.
2. The execution, delivery and performance of the Underwriting Agreement and the Mortgage and the issuance and sale of the Bonds and the use of proceeds of the Bonds as designated in the Prospectus do not and will not (A) conflict with the Articles of Incorporation or By-laws of the Company, (B) to my knowledge, conflict with, result in the creation or imposition of any lien, charge or other encumbrance, other than the Mortgage, upon any asset of the Company pursuant to the terms of, or constitute a breach of, or default under, any agreement, indenture or other instrument to which the Company is a party, or by which the Company is bound or to which any of its properties are subject or (C) to my knowledge, result in a violation of any statute, rule or regulation, or any order, judgment or decree known to me of any court or governmental agency, body or authority having jurisdiction over the Company or any of its properties, where any such conflict, encumbrance, breach, default or violation under clause (B) or (C) is reasonably likely to have, individually or in the aggregate, a material adverse effect on the business, affairs, property or financial condition of the Company and its subsidiaries taken as a whole.
3. To my knowledge, except for such consents, approvals, authorizations, registrations or qualifications as may be required under the Securities Act, the Trust Indenture Act or state securities or blue sky laws or as may be required by applicable state public utility commissions and under the Federal Power Act, no consent, authorization or order of, or filing or registration by the Company with, any court, governmental agency or third party is required in connection with the execution, delivery and performance by the Company of the Underwriting Agreement and the Mortgage, the consummation of the transactions contemplated herein and therein, and the issuance, distribution and sale of the Bonds as contemplated therein, in each case where the effect of the failure to obtain such approval, authorization, consent or order, or make such filing, is material to the Company.
4. The Company has good and sufficient title to the Properties subject to the Mortgage, which include substantially all of the permanent physical properties and franchises of the Company (other than those expressly excepted), subject only to Excepted Encumbrances and defects and irregularities customarily found in properties of like size and character that, in my opinion, do not materially impair the use of the property affected thereby in the operation of the business of the Company; the descriptions in the Mortgage of such of the Properties as are described therein are adequate to constitute the Mortgage as a lien thereon; the Mortgage constitutes a valid lien on the Properties and, to the best of my knowledge, there is no lien on the Properties prior or equal to the lien of the Mortgage, other than the exceptions enumerated above in this paragraph 4.

## EXHIBIT B

### Form of Opinion of Perkins Coie LLP, special counsel to the Company

1. The Company is a corporation validly existing under the laws of Oregon, with the corporate power and authority to own its properties and conduct its business as described in the Preliminary Prospectus, as supplemented by the Free Writing Prospectus, attached as Schedule B(ii) to the Underwriting Agreement, and the Prospectus.
2. Based solely on the certificates attached as Schedule B, the Company is qualified to transact business as a foreign corporation in [Arizona, California, Colorado, Idaho, Montana, New Mexico, Utah, Washington and Wyoming].
3. The Company has the corporate power and authority to enter into the Underwriting Agreement and the Supplemental Indenture, to issue the Bonds and to consummate the transactions contemplated by the Underwriting Agreement.
4. Each of the Underwriting Agreement and the Mortgage has been duly authorized, executed and delivered by the Company.
5. The Mortgage constitutes the valid and binding obligation of the Company, enforceable against the Company in accordance with its terms.
6. The Mortgage has been duly qualified under the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act").
7. The Bonds are in the form contemplated by the Mortgage, have been duly authorized by the Company for issuance and sale pursuant to the Underwriting Agreement and the Mortgage, have been duly executed and, when authenticated by the Trustee in the manner provided in the Mortgage and delivered against payment of the purchase price therefore pursuant to the Underwriting Agreement, will constitute valid and binding obligations of the Company, enforceable against the Company in accordance with their terms, and entitled to the benefits of the Mortgage.
8. The statements in the Preliminary Prospectus and the Prospectus under the captions "Description of the Bonds" and "Description of Additional Bonds" insofar as they purport to summarize the provisions of the Mortgage and the Bonds, fairly summarize such provisions in all material respects. The statements in the Preliminary Prospectus and the Prospectus under the caption "Certain U.S. Federal Income Tax Considerations," insofar as such statements purport to constitute summaries of United States federal income tax law and regulations or legal conclusions with respect thereto, fairly summarize the matters described therein in all material respects.
9. No approval, authorization, consent or order of, or filing with any governmental or regulatory body or agency is required in connection with the issuance and sale of the Bonds by the Company, the consummation by the Company of the transactions contemplated by the Underwriting Agreement, the due authorization, execution or delivery of the Underwriting Agreement or the due execution, delivery or performance of the Mortgage by the Company, in each case where the effect of the failure to obtain such approval, authorization, consent or order, or to make such filing, could reasonably be expected to have a Material Adverse Effect and except (a) the registration of the Bonds with the Securities and Exchange Commission (the "Commission") under the Securities Act pursuant to the Registration Statement and (b) such as have been obtained or made.
10. The Idaho Public Utilities Commission and the Public Utility Commission of Oregon have entered appropriate orders, which to our knowledge remain in full force and effect on the date of this letter, each authorizing the issuance of the Bonds by the Company; the Company has filed a notice with the Washington Utilities and Transportation Commission regarding the issuance and sale of the Bonds that complies with the filing requirements of RCW 80.08.040 and WAC 480-100-242; the Company has filed a notice of proposed securities issuance with the Idaho Public Utilities Commission regarding the issuance and sale of the Bonds pursuant to Order No. 31018; and, together with certain exemptive orders that have been issued by each of the Public Utilities Commission of the State of California, the Public Service Commission of Utah and the Public Service Commission of Wyoming (which to our knowledge remain in full force and effect on the date of this letter), such orders and notices constitute the only approval, authorization, consent or other order of, or notification to, any governmental body legally required in connection with the regulation of the Company as a public utility for the authorization of the issuance of the Bonds by the Company pursuant to the terms of the Underwriting Agreement.
11. The Registration Statement was declared immediately effective under the Securities Act on [ ]; the Prospectus was filed with the Commission pursuant to Rule 424(b) on [ ] in a manner and within the time period required by Rule 424(b) under the Securities Act; and, based solely on a telephone conversation with representatives of the Commission, as of the date hereof, no stop order suspending the effectiveness of the Registration Statement has been issued under the Securities Act and, to our knowledge, no proceedings for that purpose have been initiated by the Commission.

12. The Registration Statement, as of its effective date, and the Preliminary Prospectus, as of its date, including in each case the information deemed to be a part thereof pursuant to Rule 430B under the Securities Act, and the Prospectus, as of its date, appear on their face to be appropriately responsive in all material respects with the applicable requirements of the Securities Act and the rules thereunder; it being understood, however, that we express no view with respect to the financial statements, schedules, other financial data, or exhibits included or incorporated by reference in, or omitted from, the Registration Statements, the Preliminary Prospectus or the Prospectus or Regulation S-T.

13. We have participated in conferences with officers and other representatives of the Company, you and your representatives and representatives of the independent auditors of the Company at which the contents of the Disclosure Package and the Prospectus (and portions of certain documents incorporated by reference therein) and any amendments or supplements thereto were discussed. Although we assume no responsibility for the factual accuracy, completeness or fairness of any statements (except with respect to paragraph (8) in the "Opinions" portion of this letter, subject to the assumptions, exclusions and qualifications set forth in this opinion) made in (a) the Registration Statement or any amendment thereto, (b) the Disclosure Package or any amendment or supplement thereto, (c) the Prospectus or any amendment or supplement thereto, or (d) the documents incorporated by reference in the Prospectus or any further amendment or supplement thereto, nothing has come to our attention that causes us to believe that:

a. the Registration Statement or the prospectus included therein (except for the financial statements and financial schedules and other financial information included therein, as to which we make no statement) at the time the Registration Statement became effective contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading, or

b. the documents specified in Schedule B, constituting the Disclosure Package (except for the financial statements and financial schedules and other financial information included therein, as to which we make no statement), when considered together, as of the Applicable Time, contained or contains any untrue statement of a material fact or omitted or omits to state a material fact necessary to make the statements therein, in light of the circumstances in which they were made, not misleading, or

c. the Prospectus (except for the financial statements and financial schedules and other financial information included therein, as to which we make no statement) as of its date or as amended or supplemented, if applicable, as of the date hereof contained or contains any untrue statement of a material fact or omitted or omits to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

EXCEPT AS OTHERWISE PROVIDED IN SECTION 2.16 OF THE MORTGAGE HEREINAFTER REFERRED TO, THIS BOND MAY BE TRANSFERRED, IN WHOLE BUT NOT IN PART, ONLY TO THE DEPOSITORY, ANOTHER NOMINEE OF THE DEPOSITORY OR TO A SUCCESSOR DEPOSITORY OR TO A NOMINEE OF SUCH SUCCESSOR DEPOSITORY.

THIS BOND IS A GLOBAL SECURITY WITHIN THE MEANING OF THE MORTGAGE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF A DEPOSITORY OR A NOMINEE OF A DEPOSITORY. THIS BOND IS EXCHANGEABLE FOR BONDS REGISTERED IN THE NAME OF A PERSON OTHER THAN THE DEPOSITORY OR ITS NOMINEE ONLY IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE MORTGAGE, AND NO TRANSFER OF THIS BOND (OTHER THAN A TRANSFER OF THIS BOND AS A WHOLE BY THE DEPOSITORY TO A NOMINEE OF THE DEPOSITORY OR BY A NOMINEE OF THE DEPOSITORY TO THE DEPOSITORY OR ANOTHER NOMINEE OF THE DEPOSITORY) MAY BE REGISTERED EXCEPT IN LIMITED CIRCUMSTANCES.

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY (55 WATER STREET, NEW YORK) TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY BOND ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR SUCH OTHER ENTITY AS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY AND ANY PAYMENT HEREON IS MADE TO CEDE & CO. OR SUCH OTHER ENTITY, ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY A PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

PACIFICORP

[ ]% Series Due 20[ ]  
(A Series of First Mortgage Bonds)

No.

US \$

Date:

Cusip:

PACIFICORP, an Oregon corporation (the "**Company**"), for value received, hereby promises to pay to CEDE & CO. or registered assigns, on [ ], at the office or agency of the Company in the Borough of Manhattan, The City of New York, the sum of [ ] Dollars (\$[ ]), in such coin or currency of the United States of America as at the time of payment is legal tender for public and private debts, and to pay interest thereon from the [ ] or [ ] next preceding the date hereof, or if no interest has been paid on the bonds of this series, from [ ], at the rate of [ ] per centum ([ ]%) per annum, in like coin or currency at such office or agency on [ ] and [ ] in each year (each, an "**Interest Payment Date**"), commencing [ ], until the principal of this bond shall have been paid or duly provided for; *provided* that the interest so payable on any Interest Payment Date will, subject to certain exceptions set out in the [ ] Supplemental Indenture (hereinafter mentioned), be paid to the person in whose name this bond (or any bond previously Outstanding in transfer or exchange for which this bond was issued) is registered on the Record Date next preceding such Interest Payment Date; *provided, however*, that interest payable upon maturity or earlier redemption will be payable to the person to whom principal is payable. So long as this bond remains in book-entry only form, the Record Date for each Interest Payment Date will be the close of business on the Business Day before the applicable Interest Payment Date, and, if this bond is not in book-entry only form, the Record Date for each Interest Payment Date will be the close of business on the 15<sup>th</sup> calendar day of the month immediately preceding the month of the Interest Payment Date (whether or not a Business Day).

"**Business Day**" means, for purposes of the preceding two paragraphs, a day other than (i) a Saturday or a Sunday, or (ii) a day on which banking institutions in The City of New York are authorized or obligated by law or executive order to remain closed.

The amount of interest payable will be computed on the basis of a 360-day year consisting of twelve 30-day months. If any Interest Payment Date is not a Business Day, then payment of the interest payable on that date will be made on the next succeeding day which is a Business Day (and without any additional interest or other payment in respect of any delay), with the same force and effect as if made on such date.

1. This bond is one of an issue of bonds of the Company issuable in series and is one of a series known as its First Mortgage Bonds, [ ]% Series Due 20[ ] to be issued under and equally secured by a Mortgage and Deed of Trust (herein, together with any indenture supplemental thereto, including the [ ] Supplemental Indenture dated as of [ ], the "**Mortgage**"), dated as of January 9, 1989 executed by the Company to Morgan Guaranty Trust Company of New York, as trustee (The Bank of New York Mellon Trust Company, N.A., as successor). Reference is made to the Mortgage for a description of the property mortgaged, and pledged, the nature and extent of the security, the rights of the holders of the bonds and of the Trustee in respect thereof, the duties and immunities of the Trustee and the terms and conditions upon which the bonds are, and are to be, secured, the circumstances under which additional bonds may be issued and the definitions of certain terms hereinafter used.

With the consent of the Company and to the extent permitted by and in the manner provided in the Mortgage, the rights and obligations of the Company and/or the rights of the holders of the bonds and/or coupons and/or the terms and provisions of the Mortgage may be modified or altered by affirmative vote of the holders of at least sixty per centum (60%) in principal amount of bonds then Outstanding under the Mortgage, all voting as a single class or, if the rights of the holders of one or more, but less than all, series of bonds then Outstanding are to be adversely affected, then by affirmative vote of the holders of at least sixty per centum (60%) principal amount of those bonds then Outstanding so to be adversely affected, all voting as a single class (excluding in any case bonds disqualified from voting by reason of the Company's interest therein as provided in the Mortgage); *provided* that no such modification or alteration shall, without the consent of the holder hereof, impair or affect the right of the holder to receive payment of the principal of (and premium, if any) and interest on this bond, on or after the respective due dates expressed herein, or to institute suit for the enforcement of any such payment on or after such respective dates, or permit the creation of and lien ranking equal or prior to the Lien of the Mortgage or deprive the holder of the benefit of a lien on the Mortgaged and Pledged Property or reduce the percentage vote required to effect such modifications or alterations.

The Company has reserved the right, without any consent or other action by holders of bonds of the Ninth Series known as First Mortgage and Collateral Trust Bonds, Secured Medium-Term Notes, Series F, or any other series of bonds subsequently created under the Mortgage (including the bonds of this series), to amend the Mortgage in order to except from the Lien of the Mortgage allowances allocated to steam-electric generating plants owned by the Company, or in which the Company, or in which the Company has interests, pursuant to Title IV of the Clean Air Act Amendments of 1990 as now in effect or as hereafter supplemented or amended.

2. The principal hereof may be declared or may become due prior to the maturity date hereinbefore named on the conditions, in the manner and at the time set forth in the Mortgage, upon the occurrence of a Default as in the Mortgage provided.

3. The bonds of this series are redeemable, in whole or in part, at any time and at the Company's option. Prior to [ ], 20[ ], the redemption price shall be equal to (A) the greater of: (i) one hundred per centum (100%) of the principal amount of bonds of this series then Outstanding to be redeemed, and (ii) the sum of the present values of the remaining scheduled payments of principal and interest thereon (not including any portion of such payments of interest accrued as of the Redemption Date) discounted to the Redemption Date on a semiannual basis (assuming a 360-day year consisting of twelve 30-day months) at the Adjusted Treasury Rate, plus [ ] basis points, as calculated by an Independent Investment Banker; plus (B) accrued and unpaid interest thereon to the date on which such bonds are to be redeemed (the "**Redemption Date**"). At any time on or after [ ], the redemption price shall be equal to one hundred percent (100%) of the principal amount of bonds of this series then Outstanding to be redeemed, plus accrued and unpaid interest thereon to the Redemption Date. Unless the Company defaults in payment of the redemption price, on and after the Redemption Date interest will cease to accrue on the bonds of this series or portions thereof called for redemption.

For purposes of this Section 3:

"**Adjusted Treasury Rate**" means, with respect to any Redemption Date, the rate per annum equal to the semiannual equivalent yield to maturity of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for that Redemption Date.

"**Business Day**" means a day other than (i) a Saturday or a Sunday, or (ii) a day on which banking institutions in The City of New York are authorized or obligated by law or executive order to remain closed.

"**Comparable Treasury Issue**" means the United States Treasury security selected by an Independent Investment Banker as having a maturity comparable to the remaining term of the bonds of this series to be redeemed that would be used, at



the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of such bonds (the "**Remaining Life**").

"**Comparable Treasury Price**" means, with respect to any Redemption Date, (a) the average of four Reference Treasury Dealer Quotations for such Redemption Date, after excluding the highest and lowest Reference Treasury Dealer Quotations, or (b) if the Independent Investment Banker obtains fewer than four such Reference Treasury Dealer Quotations, the average of all such quotations.

"**Independent Investment Banker**" means one of the Reference Treasury Dealers appointed by the Company and its successors, or if that firm is unwilling or unable to serve as such, an independent investment and banking institution of national standing appointed by the Company.

"**Reference Treasury Dealer**" means: (A) each of [ ] and [ ] and their respective affiliates or successors; *provided* that, if one of these parties ceases to be a primary U.S. Government securities dealer in New York City (a "**Primary Treasury Dealer**"), the Company will substitute another Primary Treasury Dealer; and (B) any other Primary Treasury Dealers selected by the Company.

"**Reference Treasury Dealer Quotations**" means, with respect to each Reference Treasury Dealer and any Redemption Date, the average, as determined by the Independent Investment Banker, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Independent Investment Banker at 5:00 p.m., New York City time, on the third Business Day preceding such Redemption Date.

The Company shall give the Trustee notice of such redemption price immediately after the calculation thereof, and the Trustee shall have no responsibility for such calculation.

4. This bond is transferable as prescribed in the Mortgage by the registered owner hereof in person, or by his, her or its duly authorized attorney, at the office or agency of the Company in the Borough of Manhattan, The City of New York, upon surrender and cancellation of this bond, together with a written instrument of transfer, if required by the Company, duly executed by the registered owner or by his, her or its duly authorized attorney, and, thereupon, a new fully registered bond of the same series for a like principal amount will be issued to the transferee in exchange herefor as provided in the Mortgage. Subject to the foregoing provisions as to the person entitled to receive payment of interest hereon, the Company and the Trustee may deem and treat the person in whose name this bond is registered as the holder and the absolute owner hereof for the purpose of receiving payment and for all other purposes, and neither the Company nor the Trustee shall be affected by any notice to the contrary.

5. In the manner prescribed in the Mortgage, any bonds of this series, upon surrender thereof for cancellation at the office or agency of the Company in the Borough of Manhattan, The City of New York, are exchangeable for a like aggregate principal amount of fully registered bonds of the same series of other authorized denominations.

6. As provided in the Mortgage, the Company shall not be required to make transfers or exchanges of bonds of any series for a period of fifteen (15) days next preceding any designation of bonds of such series to be redeemed, and the Company shall not be required to make transfers or exchanges of any bonds designated in whole or in part for redemption.

7. No recourse shall be had for the payment of the principal of, premium, if any, or interest on this bond against any incorporator or any past, present or future subscriber to the capital stock, shareholder, officer or director of the Company or of any predecessor or successor corporation, as such, either directly or through the Company or any predecessor or successor corporation, under any rule of law, statute or constitution or by the enforcement of any assessment or otherwise, all such liability of incorporators, subscribers, shareholders, officers and directors being released by the holder or owner hereof by the acceptance of this bond and being likewise waived and released by the terms of the Mortgage.

This bond shall not become obligatory until The Bank of New York Mellon Trust Company, N.A., a national banking association, the Trustee under the Mortgage, or its successor thereunder, shall have signed the form of authentication certificate endorsed hereon.

[Signature page follows]

IN WITNESS WHEREOF, PacifiCorp has caused this bond to be signed in its corporate name by its Chairman of the Board, President and Chief Executive Officer, or one of its Vice Presidents, by his or her signature or a facsimile thereof, and its corporate seal to be impressed or imprinted hereon and attested by its Secretary, or one of its Assistant Secretaries, by his or her signature or a facsimile thereof.

PACIFICORP

Dated: [ ]

\_\_\_\_\_  
Name:

Title:

[SEAL]

Attest:

\_\_\_\_\_  
Name:

Title:

TRUSTEE'S AUTHENTICATION CERTIFICATE

This bond is one of the bonds of the series herein designated described or provided for in the within-mentioned Mortgage.

THE BANK OF NEW YORK MELLON TRUST  
COMPANY, N.A.,  
As Trustee

\_\_\_\_\_  
Authorized Signatory

November 12, 2013

PacifiCorp  
825 N.E. Multnomah Street  
Portland, Oregon 97232

**Re: Registration Statement on Form S-3**

Ladies and Gentlemen:

We have acted as special counsel to PacifiCorp, an Oregon corporation (the "Company"), in connection with a registration statement on Form S-3 (333-\_\_\_\_\_) (the "Registration Statement") filed with the Securities and Exchange Commission (the "Commission") pursuant to the Securities Act of 1933, as amended (the "Securities Act") and the rules and regulations promulgated thereunder (the "Rules"), for the registration of the sale by the Company of debt securities of the Company in the form of First Mortgage Bonds (the "Securities").

We understand that the Securities will be sold or delivered from time to time as set forth in the Registration Statement, the applicable prospectus contained therein (the "Prospectus") and supplements to the Prospectus (the "Prospectus Supplements"). The Securities will be issued in one or more series pursuant to the Mortgage and Deed of Trust, dated as of January 9, 1989, between the Company and The Bank of New York Mellon Trust Company, N.A. (the "Trustee"), as successor trustee, as amended and supplemented (the "Mortgage"). The Mortgage is in the form filed as an exhibit to the Registration Statement.

In our capacity as counsel to the Company we have examined (a) the Registration Statement, (b) the Mortgage and (c) the originals, or copies identified to our satisfaction, of such corporate records of the Company, certificates of public officials, officers of the Company and other persons, and such other documents, agreements and instruments as we have deemed necessary as a basis for the opinions expressed below. In our examination, we have assumed the authenticity of all documents submitted to us as originals, and the conformity with the originals of all documents submitted to us as copies.

For purposes of the opinions expressed below, we also assume that (a) the Registration Statement, and any amendments or supplements thereto (including any necessary post-effective amendments), shall have become effective under the Securities Act, (b) the Company and the Trustee shall have complied with the terms and conditions of the Mortgage regarding the creation, authentication and delivery of any supplemental indenture to the Mortgage, (c) a Prospectus Supplement shall have been prepared and filed with the Commission describing the Securities offered thereby, (d) all Securities shall be issued and sold in compliance with applicable federal, state and foreign securities laws and in the manner stated in the Registration Statement and the appropriate Prospectus Supplement and (e) the Mortgage has been duly authorized, executed and delivered by the Company and the Trustee.

Based on and subject to the foregoing and the other assumptions, exclusions and qualifications in this letter, we are of the opinion that when (a) the Securities have been duly authorized, (b) the final terms of the Securities have been duly established and approved, and (c) the Securities have been duly executed by the Company and authenticated by the Trustee in accordance with the Mortgage and delivered to and paid for by the purchasers thereof as contemplated by the Registration Statement and the appropriate Prospectus Supplement, the Securities will constitute binding obligations of the Company.

The opinions expressed above are subject to the following exclusions and qualifications:

a. Our opinions are as of the date hereof and we have no responsibility to update this opinion for events and circumstances occurring after the date hereof or as to facts relating to prior events that are subsequently brought to our attention. We disavow any undertaking to advise you of any changes in law.

b. We express no opinion as to enforceability of any right or obligation to the extent such right or obligation is subject to and limited by (i) the effect of bankruptcy, insolvency, reorganization, receivership, conservatorship, arrangement, moratorium, fraudulent transfer or other laws affecting or relating to the rights of creditors generally or (ii) rules governing the availability of specific performance, injunctive relief or other equitable remedies and general principles of equity, regardless of whether arising prior to, or after, the date hereof or considered in a proceeding in equity or at law.

c. We do not express any opinions herein concerning any laws other than the laws in their current forms of the State of Oregon, the State of New York and the federal laws of the United States of America, and we express no opinion with respect to the laws of any other jurisdiction.

We consent to the filing of this opinion as an exhibit to the Registration Statement and to the references to our firm in the Prospectus under the caption "Legal Matters." In giving this consent, we do not hereby admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act or related Rules nor do we admit that we are experts with respect to any part of the Registration Statement within the meaning of the term "expert" as used in the Securities Act or related Rules.

Very truly yours,

/s/ Perkins Coie LLP

PERKINS COIE LLP

PACIFICORP  
STATEMENTS OF COMPUTATION OF RATIO  
OF EARNINGS TO FIXED CHARGES  
(DOLLARS IN MILLIONS)

	Nine-Month Period Ended September 30, 2013	Years Ended December 31,				
		2012	2011	2010	2009	2008
Earnings Available for Fixed Charges:						
Income from continuing operations						
before income tax expense	\$ 779	\$ 734	\$ 768	\$ 777	\$ 784	\$ 703
Add:						
Fixed charges	289	385	397	392	398	349
Deduct:						
Net income attributable to noncontrolling interest in subsidiary that has not incurred fixed charges	—	—	—	—	(8)	(7)
Total earnings available for fixed charges	<u>\$ 1,068</u>	<u>\$ 1,119</u>	<u>\$ 1,165</u>	<u>\$ 1,169</u>	<u>\$ 1,174</u>	<u>\$ 1,045</u>
Fixed Charges:						
Interest expense	\$ 286	\$ 380	\$ 392	\$ 387	\$ 394	\$ 343
Estimated interest portion of rentals charged to expense	3	5	5	5	4	6
Total fixed charges	<u>\$ 289</u>	<u>\$ 385</u>	<u>\$ 397</u>	<u>\$ 392</u>	<u>\$ 398</u>	<u>\$ 349</u>
Ratio of Earnings to Fixed Charges	<u>3.7x</u>	<u>2.9x</u>	<u>2.9x</u>	<u>3.0x</u>	<u>2.9x</u>	<u>3.0x</u>



November 12, 2013

PacifiCorp  
Portland, Oregon

We have reviewed, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the unaudited consolidated interim financial information of PacifiCorp and subsidiaries for the three-month periods ended March 31, 2013 and 2012, and have issued our report dated May 3, 2013, for the three- and six-month periods ended June 30, 2013 and 2012, and have issued our report dated August 2, 2013, and for the three- and nine-month periods ended September 30, 2013 and 2012, and have issued our report dated November 1, 2013. As indicated in such reports, because we did not perform an audit, we expressed no opinion on that information.

We are aware that our reports referred to above, which were included in your Quarterly Reports on Form 10-Q for the quarters ended March 31, 2013, June 30, 2013, and September 30, 2013, are incorporated by reference in this Registration Statement.

We also are aware that the aforementioned reports, pursuant to Rule 436(c) under the Securities Act of 1933, are not considered a part of the Registration Statement prepared or certified by an accountant or a report prepared or certified by an accountant within the meaning of Sections 7 and 11 of that Act.

/s/ Deloitte & Touche LLP

Portland, Oregon

**CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

We consent to the incorporation by reference in this Registration Statement on Form S-3 of our report dated March 1, 2013, relating to the consolidated financial statements of PacifiCorp and subsidiaries appearing in the Annual Report on Form 10-K of PacifiCorp for the year ended December 31, 2012, and to the reference to us under the heading "Experts" in the Prospectus, which is part of this Registration Statement.

/s/ Deloitte & Touche LLP

Portland, Oregon  
November 12, 2013

## POWER OF ATTORNEY

Each of the undersigned, an officer and/or director of PacifiCorp (the "Company"), constitutes and appoints Douglas K. Stuver, Bruce N. Williams and Jeffery B. Erb, and each of them, his or her true and lawful attorneys-in-fact and agents, with full power of substitution and re-substitution, to do any and all acts and things and execute in his or her name, one or more Form S-3 Registration Statements under the Securities Act of 1933, as amended (the "Act"), prepared in connection with the registration and issuance of First Mortgage Bonds of the Company, and any and all amendments (including post-effective amendments, exhibits thereto and other documents in connection therewith) thereto, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto the attorneys and agents, and each of them, full power and authority to do any and all acts and things necessary or advisable to be done, as fully and to all intents and purposes as the undersigned might or could do in person, and the undersigned hereby ratifies and confirms all that the attorneys and agents, and each of them, shall do or cause to be done under this power of attorney. Any one of the attorneys or agents, or their or his or her substitute or substitutes, shall have, and may exercise, all powers conferred.

THIS POWER OF ATTORNEY MAY BE EXECUTED IN COUNTERPARTS

/s/ Gregory E. Abel

Dated: October 31, 2013

Gregory E. Abel

/s/ Douglas L. Anderson

Dated: October 30, 2013

Douglas L. Anderson

/s/ Micheal G. Dunn

Dated: October 30, 2013

Micheal G. Dunn

/s/ Brent E. Gale

Dated: October 29, 2013

Brent E. Gale

/s/ Patrick J. Goodman

Dated: October 30, 2013

Patrick J. Goodman

/s/ Natalie L. Hocken

Dated: November 1, 2013

Natalie L. Hocken

/s/ Mark C. Moench

Dated: October 29, 2013

Mark C. Moench

/s/ R. Patrick Reiten

Dated: October 29, 2013

R. Patrick Reiten

/s/ A. Richard Walje

Dated: November 1, 2013

A. Richard Walje

/s/ Douglas K. Stuver

Dated: November 8, 2013

Douglas K. Stuver

=====

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

## FORM T-1

STATEMENT OF ELIGIBILITY  
UNDER THE TRUST INDENTURE ACT OF 1939 OF A  
CORPORATION DESIGNATED TO ACT AS TRUSTEE

CHECK IF AN APPLICATION TO DETERMINE  
ELIGIBILITY OF A TRUSTEE PURSUANT TO  
SECTION 305(b)(2) ☐

THE BANK OF NEW YORK MELLON  
TRUST COMPANY, N.A.  
(Exact name of trustee as specified in its charter)

(Jurisdiction of incorporation  
if not a U.S. national bank)

95-3571558  
(I.R.S. employer  
identification no.)

400 South Hope Street  
Suite 400  
Los Angeles, California  
(Address of principal executive offices)

90071  
(Zip code)

\_\_\_\_\_  
PACIFICORP  
(Exact name of obligor as specified in its charter)

Oregon  
(State or other jurisdiction of  
incorporation or organization)

93-0246090  
(I.R.S. employer  
identification no.)

825 N.E. Multnomah Street  
Portland, Oregon  
(Address of principal executive offices)

97232  
(Zip code)

\_\_\_\_\_  
First Mortgage Bonds  
(Title of the indenture securities)

**1. General information. Furnish the following information as to the trustee:**

**(a) Name and address of each examining or supervising authority to which it is subject.**

Name	Address
Comptroller of the Currency United States Department of the Treasury	Washington, DC 20219
Federal Reserve Bank	San Francisco, CA 94105
Federal Deposit Insurance Corporation	Washington, DC 20429

**(b) Whether it is authorized to exercise corporate trust powers.**

Yes.

**2. Affiliations with Obligor.**

**If the obligor is an affiliate of the trustee, describe each such affiliation.**

None.

**16. List of Exhibits.**

**Exhibits identified in parentheses below, on file with the Commission, are incorporated herein by reference as an exhibit hereto, pursuant to Rule 7a-29 under the Trust Indenture Act of 1939 (the "Act") and 17 C.F.R. 229.10(d).**

1. A copy of the articles of association of The Bank of New York Mellon Trust Company, N.A., formerly known as The Bank of New York Trust Company, N.A. (Exhibit 1 to Form T-1 filed with Registration Statement No. 333-121948 and Exhibit 1 to Form T-1 filed with Registration Statement No. 333-152875).
2. A copy of certificate of authority of the trustee to commence business. (Exhibit 2 to Form T-1 filed with Registration Statement No. 333-121948).
3. A copy of the authorization of the trustee to exercise corporate trust powers (Exhibit 3 to Form T-1 filed with Registration Statement No. 333-152875).



4. A copy of the existing by-laws of the trustee (Exhibit 4 to Form T-1 filed with Registration Statement No. 333-162713).
6. The consent of the trustee required by Section 321(b) of the Act (Exhibit 6 to Form T-1 filed with Registration Statement No. 333-152875).
7. A copy of the latest report of condition of the Trustee published pursuant to law or to the requirements of its supervising or examining authority.

SIGNATURE

Pursuant to the requirements of the Act, the trustee, The Bank of New York Mellon Trust Company, N.A., a banking association organized and existing under the laws of the United States of America, has duly caused this statement of eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in the City of Chicago, and State of Illinois, on the 4th day of November, 2013.

THE BANK OF NEW YORK MELLON TRUST  
COMPANY, N.A.

By: /s/ Michael Countryman

Name: Michael Countryman

Title: Vice President

Consolidated Report of Condition of  
THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.  
of 400 South Hope Street, Suite 400, Los Angeles, CA 90071

At the close of business September 30, 2013, published in accordance with Federal regulatory authority instructions.

Dollar amounts  
in thousands

ASSETS

Cash and balances due from depository institutions:	
Noninterest-bearing balances and currency and coin.....	1,319
Interest-bearing balances.....	241
Securities:	
Held-to-maturity securities.....	0
Available-for-sale securities.....	725,987
Federal funds sold and securities purchased under agreements to resell:	
Federal funds sold .....	83,000
Securities purchased under agreements to resell.....	0
Loans and lease financing receivables:	
Loans and leases held for sale.....	0
Loans and leases, net of unearned income.....	0
LESS: Allowance for loan and lease losses.....	0
Loans and leases, net of unearned income and allowance .....	0
Trading assets.....	0
Premises and fixed assets (including capitalized leases).....	4,612
Other real estate owned.....	0
Investments in unconsolidated subsidiaries and associated companies .....	0
Direct and indirect investments in real estate ventures .....	0
Intangible assets:	
Goodwill .....	856,313
Other intangible assets .....	137,762
Other assets .....	<u>126,539</u>
Total assets .....	<u>\$1,935,773</u>

## LIABILITIES

### Deposits:

In domestic offices .....	651
Noninterest-bearing .....	651
Interest-bearing .....	0
Not applicable	
Federal funds purchased and securities	
sold under agreements to repurchase:	
Federal funds purchased .....	0
Securities sold under agreements to repurchase .....	0
Trading liabilities .....	0
Other borrowed money:	
(includes mortgage indebtedness	
and obligations under capitalized	
leases) .....	0
Not applicable	
Not applicable	
Subordinated notes and debentures .....	0
Other liabilities .....	242,219
Total liabilities .....	242,870
Not applicable	

## EQUITY CAPITAL

Perpetual preferred stock and related surplus .....	0
Common stock .....	1,000
Surplus (exclude all surplus related to preferred stock) .....	1,121,790
Not available	
Retained earnings .....	567,244
Accumulated other comprehensive income .....	2,869
Other equity capital components .....	0
Not available	
Total bank equity capital .....	1,692,903
Noncontrolling (minority) interests in consolidated subsidiaries .....	0
Total equity capital .....	1,692,903
Total liabilities and equity capital .....	<u>\$1,935,773</u>

I, Cherisse Waligura, CFO of the above-named bank do hereby declare that the Reports of Condition and Income (including the supporting schedules) for this report date have been prepared in conformance with the instructions issued by the appropriate Federal regulatory authority and are true to the best of my knowledge and belief.

Cherisse Waligura       )       CFO

We, the undersigned directors (trustees), attest to the correctness of the Report of Condition (including the supporting schedules) for this report date and declare that it has been examined by us and to the best of our knowledge and belief has been prepared in conformance with the instructions issued by the appropriate Federal regulatory authority and is true and correct.

Troy Kilpatrick, President       )  
Frank P. Sulzberger, Director   )       Directors (Trustees)  
William D. Lindelof, Director   )

## **EXHIBIT H**



EXHIBIT H  
PACIFICORP  
PRO FORMA UNCONSOLIDATED STATEMENT OF RETAINED EARNINGS  
12 MONTHS ENDED MARCH 31, 2014

	TOTAL CORPORATION	PROPOSED FINANCING	TOTAL PROFORMA
RETAINED EARNINGS (215, 215.1, 216, 216.1)			
BALANCE AT BEGINNING OF PERIOD	2,985,027,613.29		2,985,027,613.29
NET INCOME	677,461,570.46	(4,285,745.72)	673,175,824.74
EXCLUDE EQUITY IN EARNINGS OF SUBSIDIARIES	(11,171,951.78)		(11,171,951.78)
ADJUSTMENT TO RETAINED EARNINGS - TRANSFERS FROM 216.1	43,034,828.00		43,034,828.00
ADJUSTMENT TO RETAINED EARNINGS - PREFERRED STOCK REDEMPTION	(1,777,253.82)		(1,777,253.82)
SUBTOTAL	3,692,574,806.15	(4,285,745.72)	3,688,289,060.43
DIVIDENDS DECLARED			
PREFERRED STOCK	1,021,824.82		1,021,824.82
COMMON STOCK	850,000,000.00		850,000,000.00
BALANCE AT END OF PERIOD	2,841,552,981.33	(4,285,745.72)	2,837,267,235.61

## **EXHIBIT I**

APPLICATION OF ROCKY MOUNTAIN POWER

## **Exhibit I**

### **Limitations on Issuance of First Mortgage Bonds and Preferred Stock March 31, 2014**

#### Mortgage

Bonds may be issued under the Company's Mortgage on the basis of: (1) Class "A" Bonds delivered to the Trustee under the Mortgage; (2) 70% of qualified Property Additions after adjustments to offset retirements; (3) retirement of Bonds or certain prior lien bonds; and/or (4) deposits of cash. With certain exceptions in the case of (1) and (3) above, the issuance of Bonds under the Mortgage is subject to adjusted net earnings of the Company for twelve out of the preceding fifteen months, before income taxes, being at least twice the annual interest requirements on all Bonds at the time outstanding, including any new issue, all outstanding Class "A" Bonds held other than by the Trustee or by the Company, and any other indebtedness secured by a lien prior to the Lien of the Mortgage.

Under above mortgage coverage tests, the Company estimates that it could have issued an additional \$8.5 billion principal amount of Bonds under the Mortgage as of March 31, 2014.

#### Preferred Stock

Not applicable to proposed issuance.